

# DAILY REPORT

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RENMIN RIBAO STRESSES GOOD-NEIGHBOR POLICY

HK070156 Beijing RENMIN RIBAO in Chinese 6 Jul 81 p 7

[Article by Jie Chengzhang [6042 2052 4545]]: "Put Into Effect the Policy of Good Neighborliness and Friendship and Solve Border Problems in a Peaceful Way"]

[Text] Our great motherland covers a vast area and is a land neighbor to 12 other countries. These countries are Korea, the Soviet Union, Mongolia, Afghanistan, Pakistan, India, Nepal, Sikkim, Bhutan, Burma, Laos and Vietnam. The total length of China's border with these countries is over 20,000 kilometers. For various historical reasons, there are many border problems left over between China and its neighbors.

Since the establishment of the PRC, the Chinese Government has consistently pursued a policy of peace in foreign relations. The Central Committee and the older generation of proletarian revolutionaries such as Chairman Mao, Premier Zhou and others attached great importance to instituting a policy of good neighborliness and friendship with our neighbors, and were very concerned about finding proper solutions to border problems with them. In the early postliberation period, Premier Zhou and the leaders of India, Burma and other neighbors jointly advocated the five principles of peaceful coexistence. Guided by these five principles, based on the spirit of friendly cooperation and give and take, China and Burma signed a border agreement and a border treaty in 1960 and also applied these to specifically define their borders. In 1961, they signed a border protocol. The Sino-Burmese border was the first border to be demarcated in a friendly way following the founding of the PRC. The solution of the Sino-Burmese border problem consolidated and developed the blood-brother feelings between the two neighbors and also created an excellent start and established a brilliant example for solving border problems with China's other neighbors. Within less than 5 years, China proceeded to sign border treaties (or agreements) and border protocols with Nepal, Mongolia, Pakistan and Afghanistan, thus smoothly solving border problems. This laid a good foundation for further developing relations of good neighborliness and friendship with the countries concerned. The flowers of friendship are now opening everywhere on the Kalakunlun Mountains and Mount Zhumulangma, and will bloom in ever greater splendor.

The parties and peoples of China and Korea fought shoulder to shoulder for a long time in their common anti-imperialist struggle. They cemented their great friendship in blood, provided mutual support in socialist revolution and construction, and established extremely close relations of friendship and cooperation. The border between China and Korea was formed by history. It is border of peace and friendship.

China and India share a border 1,700 kilometers long, which has never been formally demarcated. China and India are the two biggest states in Asia, and are also close neighbors. Friendship between the two countries meets the interests and desires of their peoples and also benefits peace and stability in Asia and the world. We believe that so long as both sides base themselves on the five principles of peaceful coexistence and strive together to make earnest efforts, the Sino-Indian border problem can be solved in a fair and reasonable way.

Of course, it is certainly not the case that the whole of China's long border is peaceful and tranquil.

China has a border of over 7,000 kilometers with its northern neighbor, the Soviet Union. This border was basically defined by a series of unequal treaties between czarist Russia and old China. While pointing out the unequal essence of these treaties, the Chinese Government has by no means demanded the return of those portions of Chinese territory carved off by czarist Russia in accordance with these treaties; instead it has proposed giving consideration to the status quo, agreeing to take these treaties as a basis and solving the Sino-Soviet border issue in an all-round way through peaceful negotiations.

However, the Soviet Government, far from being satisfied with that, has in fact created all kinds of pretexts for slandering China as "making territorial demands" on the Soviet Union and for attempting in vain to occupy still more Chinese territory. The Soviet Union has deployed 1 million troops in the vicinity of the long Sino-Soviet border, glares ferociously at China and wants to resort to arms against us. This has fully exposed its features of out-and-out hegemonism.

The Sino-Vietnamese border, on the opposite side of China and far from the Sino-Soviet border, runs for about 1,300 kilometers. This stretch of border was defined in treaties signed between 1885 and 1897 by the French Government and the Qing government, and was also surveyed and marked with boundary stones. Generally speaking, this border is clear, the opinions of the two sides differ on only a few stretches, and these are problems left over from history. The Sino-Vietnamese border was a border of peace and friendship for many years. However since 1974, supported by the Soviet Union, the Vietnamese authorities have vigorously pursued a policy of regional hegemonism and territorial expansion. They have constantly caused incidents and provoked disputes on the Sino-Vietnamese border, nibbled away at and occupied Chinese territory, and also made use of the border issue to vigorously stir up anti-Chinese nationalism. China and Vietnam have held talks on the border issue and other disputes. The Chinese Government has put forth an 8-principle proposal in these negotiations. However, since Vietnam has stubbornly persisted in its hegemonist stand and roughly rejected China's reasonable proposals, the negotiations produced no results whatever and there was no alternative to breaking them off.

Our party is now leading the 1 billion Chinese people to struggle to build a powerful modern socialist state. We need a peaceful international environment for a long time, and we need peaceful and tranquil borders. This determines that we continue to carry out a good-neighbor policy of peace and friendship. Although the road is long and tortuous, the good-neighbor and friendly relations between the Chinese people and the people of neighboring countries will eventually develop throughout all generations.

#### BRIEFS

WHO OFFICIAL'S VISIT--Beijing, 30 Jun (XINHUA)--Qian Xinzhong, Chinese minister of public health, met with and entertained at a luncheon Dr T.A. Lambo, deputy director-general of the World Health Organization, and his wife here today. Dr Eric H.T. Goon, programme coordinator of the WHO in Beijing, was also present. Dr Lambo arrived here yesterday at the invitation of Qian Xinzhong, and has left Beijing for other places of China this afternoon. [Text] [Beijing XINHUA in English 2016 GMT 30 Jun 81 OW]

FOREIGN SHORT STORIES--Beijing, 24 Jun (XINHUA)--Three Chinese translations of Latin American, German and Japanese short stories, recently published by Beijing's People's Literature Publishing House, will be available in early July, a publishing house spokesman said today. Among the stories are "Slaughterhouse" by Argentinean Esteban Echeverria, "Under the Scarp" by Peruvian Julio Ramon Ribeyro, "A Couple of Strange Children" by German Johann Wolfgang von Goethe, "Poor Violinist" by Austrian Franz Grillparzer, "New Year's Eve" by Japanese Higuchi Ichiyo and "Takase Boat" by Japanese Mori Ogai. [Beijing XINHUA in English 0701 GMT 24 Jun 81 OW]

XINHUA ON 'TAIWAN RELATIONS ACT' ARTICLE

## Report on Article

OW031326 Beijing XINHUA in English 1233 GMT 3 Jul 81

["Chinese Journal on U.S. 'Taiwan Relations Act'"--XINHUA headline]

[Text] Beijing, 3 Jul (XINHUA)--The United States' "Taiwan Relations Act" is designed to make Taiwan an independent political "entity" and thus enable it to obtain a certain "international status" following the bankruptcy of similar schemes. It is just a new version of the "one China, one Taiwan" formula. This is stated in a signed article entitled "On the United States' 'Taiwan Relations Act'" and carried in the quarterly RESEARCH ON INTERNATIONAL PROBLEMS which resumed publication here on July 1.

The article was written in connection with the recent statements made by U.S. Government leaders on Washington's China policy who, while pledging to develop the U.S. relations with China in accordance with the principles laid down in the Sino-U.S. joint communique on the establishment of diplomatic relations, expressed the readiness to act according to the "Taiwan Relations Act" approved by the U.S. Congress, asserting that there are no contradictions between the two.

The article says: "The dominating guiding thought of the U.S. Congress in drawing up the 'Taiwan Relations Act' in 1979 was not to carry out the various fundamental principles contained in the just signed Sino-U.S. joint communique on the establishment of diplomatic relations by virtue of the 'Taiwan Relations Act' but to make use of the act to partially offset and negate those principles."

The article reviews the Sino-U.S. joint communique issued on New Year's Day, 1979, in which the United States finally recognizes that the Government of the People's Republic of China is the sole legal government of China, that there is but one China and that Taiwan is a part of China. "Such being the case, the United States should also recognize that it is entirely China's internal affair to decide what form China will adopt to make Taiwan return to the country and thus complete its unification, and that in accordance with the basic principles of international law, the United States or any other country should under no circumstances interfere with it."

"However, the 'Taiwan Relations Act' clearly stipulates that it is the policy of the United States 'to make clear that the United States decision to establish diplomatic relations with the People's Republic of China rests upon the expectation that the future of Taiwan will be determined by peaceful means', 'to consider any effort to determine the future of Taiwan by other than peaceful means, including by boycotts, or embargoes, a threat to the peace and security of the western Pacific area and of grave concern to the United States' and 'to maintain the capacity of the United States to resist any resort to force or other forms of coercion that would jeopardize the security, or the social or economic system, of the people on Taiwan.' The act also provides: 'The President is directed to inform the Congress promptly of any threat to the security or the social or economic system of the people on Taiwan and any danger to the interests of the United States arising therefrom. The President and the Congress shall determine, in accordance with constitutional processes, appropriate action by the United States to any such danger.'"

The article points out, "obviously, these clauses violate the Sino-U.S. agreement on the establishment of diplomatic relations and the principles of international law." "What right does the United States have to flagrantly interfere in the future, security, social or economic system of China's Taiwan Province, which are entirely within the framework of Chinese sovereignty?" the article asks.

These clauses, the article says, "are in fact meant to resuscitate in a disguised way the 'Mutual Defense Treaty' between the U.S. and Taiwan following the U.S. announcement to terminate it. This is not the attitude a country should adopt in dealing with its external relations."

The article goes on to say: "What must be pointed out with emphasis is that the 'Taiwan Relations Act' stipulates in specific terms that the United States will continue to provide Taiwan with the so-called 'defense articles' and 'defense services'. It is common knowledge that the local authorities on Taiwan want U.S.-made weapons to bolster up its antagonism against the central government of China. Since the United States recognizes China's central government as the sole legitimate government of China and Taiwan as part of China, then according to established principles of international law, how could the United States use its arms to support the local authorities of a country to oppose its central government? In the time of the American Civil War, the Union states resolutely opposed the supply of British arms to the Confederacy and regarded it a violation of international law. Wasn't it so?"

It says: "The violation by the 'Taiwan Relations Act' of the Sino-U.S. joint communique on the establishment of diplomatic relations and international law is seen not only in the question of the so-called guarantee of Taiwan security but also in the nature of the U.S.-Taiwan relations." Although the "Taiwan Relations Act" says that U.S.-Taiwan relations should be handled through non-governmental entities in the future, yet a number of provisions actually continue to regard Taiwan as a "state" and the Taiwan authorities as a "government" of a "state", giving a governmental character to U.S.-Taiwan relations. For instance, the "Taiwan Relations Act" stipulates: "Whenever the laws of the United States refer or relate to foreign countries, nations, states, governments, or similar entities, such terms shall include Taiwan." The act, the article adds, also determines that agreements and transactions made by the "American Institute of Taiwan" with the Taiwan authorities and their instrumentality "shall be subject to the same congressional notification, review, and approval requirements and procedures as if such agreements and transactions were made by a U.S. Government instrumentality itself. The act also provides that the personnel of the instrumentalities exchanged between the U.S. and Taiwan should enjoy such privileges and immunities as may be necessary for the effective performance of their functions."

The article continues to say: "Under the act, all 'treaties' and 'agreements' in force at the end of 1978 between the United States and Taiwan, except the 'Mutual Defence Treaty' and its related 'agreements', should continue in force. This means that a host of 'treaties' and 'agreements' that had been previously entered into by the United States and Taiwan as a 'state' would remain intact and valid as usual. It is known to all that only the states enjoy the right and power to conclude international treaties and agreements. A local authority, unless with the consent or authorization of the central government, is not qualified to conclude international agreements with a foreign country. So all the 'treaties' and 'agreements' between the United States and Taiwan should have been declared null and void following the U.S. recognition of Taiwan as a part of China."

The article says: Since President Nixon's visit to China in 1972 which led to the establishment of Sino-U.S. diplomatic relations in 1979, quite a number of Americans in power in Washington have tried to maintain control over Taiwan while seeking to improve relations with China.

"The 'Taiwan Relations Act' is just an embodiment of such a policy and idea. But to develop relations with China and to maintain control over Taiwan are two things so contradictory to each other that one cannot have them both at the same time. The sharp and complex struggle between China and the United States on the Taiwan question over the past 30 years or more should suffice to show that the Chinese people are unswerving in their position and resolve to reunify their country and safeguard China's territorial integrity. An obstinate U.S. approach based on the Taiwan Relations Act will certainly do serious damage to the normal relations between China and the United States--relations that were established only after long and painstaking efforts by the two countries."

#### Further View of Article

OW031350 Beijing XINHUA in English 1258 GMT 3 Jul 81

["Chinese Quarterly on Sino-U.S. relations"--XINHUA headline]

[Text] Beijing, 3 Jul (XINHUA)--Whether Sino-U.S. relations should continue to advance along the direction shown in the "Sino-U.S. joint communique" or to retrogress by the U.S. "Taiwan Relations Act," it is up to the United States, the Chinese quarterly RESEARCH ON INTERNATIONAL PROBLEMS points out in an article "On the United States' 'Taiwan Relations Act.'" The quarterly resumed publication here on July 1.

The article says that in the discussions of the "Taiwan Relations Act" some people who were in favour of the provision on "maintaining the security in Taiwan," said that they were only "concerned with the peaceful settlement of the Taiwan problem." In fact, what they were doing was obstructing the peaceful settlement of the Taiwan problem. It is well-known that the Chinese people have made efforts to work for the return of Taiwan to her motherland in a peaceful way. But, the provisions in the "Taiwan Relations Act," which interfere in the internal affairs of China, can only encourage the Taiwanese authorities to reject peaceful talks with oppose peaceful unification. As a result, China may be forced to resort to non-peaceful methods to settle the Taiwan problem against its wish.

A number of upper-class Americans still hold the time-worn view that as long as the United States opposes Soviet expansionism, China will not haggle over on the Taiwan problem. It shows that they have an incorrect concept of the foundation on which the Sino-U.S. relations should be established, a concept not in conformity with objective developments. When the "Sino-U.S. joint communique" was signed in 1972, the two sides agreed that they "should conduct their relations on the principles of respect for the sovereignty and territorial integrity of all states, non-aggression against other states, non-interference in the internal affairs of other states, equality and mutual benefit, and peaceful coexistence," and they "are prepared to apply these principles to their mutual relations." The two sides also announced: "Neither should seek hegemony in the Asia-Pacific region and each is opposed to efforts by an other country or group of countries to establish such hegemony." These two provisions constitute the principled basis of Sino-U.S. relations and neither should be overlooked. This was embodied in the Sino-U.S. joint communique on the establishment of the diplomatic relations signed in 1979. If some people still hold that the Sino-U.S. relations can be based on opposition to other country's hegemonist acts, it can only be a retrogression. If some people hold that China will agree to such retrogression, it is just fantasy.

Those in the United States who advocate undisguisedly "two Chinas" or "one China, one Taiwan," have stated arrogantly that China has to rely on the United States to cope with Soviet threat and that China needs U.S. assistance to realize the four modernizations. Thus, they hold, China will swallow the "bitter pill" of the Taiwan issue if the United States adopts a tougher attitude. It is an extremely erroneous estimation arising from complete ignorance of history and reality.

To oppose Soviet hegemonism is in the interest of both China and the United States as well as in the interest of world peace. China is poor and relatively backward in its military equipment, but its position and role in the struggle against Soviet hegemonism and its capability to withstand severe external tests should not be underestimated. The United States has regarded itself as the most prosperous and powerful country in the world. But Secretary of State Haig has put it aptly that the Soviet military force has been turned into a global offensive force which enables Moscow to fully pursue its imperial foreign policy. The United States alone is unable to deal with the Soviet challenge, which must be dealt with by a collective force. For this reason, Haig has stressed that to improve the relations between the United States and China "is a fundamental strategic reality and a strategic imperative. It is of overriding importance to international stability and world peace." Speaking of Sino-American relations, Defense Minister of the Carter administration Harold Brown had also admitted that China's policy of resistance to the Soviet Union has brought tremendous strategic benefit to the United States. So it is extremely ridiculous to say that "China needs the United States more" in coping with the Soviet menace.

It is true that in carrying out the four modernizations, China wishes to enhance its economic cooperation with the United States and other industrialized countries on the basis of equality and mutual benefit. But China has mainly relied and will rely on its own efforts in its socialist construction. In the long years since its establishment, new China has developed its economy under circumstances of U.S. blockade and embargo.

While admitting there are errors in the "Taiwan Relations Act," some persons in the U.S. upper strata still insist that the U.S. Government must uphold the law adopted by the Congress. This raises the question of the relationship between a domestic law of a country and international obligations it has undertaken. Everybody knows that the "Taiwan Relations Act" is a domestic law of the United States. It should not in any way be put above any agreement reached by the U.S. with other countries or any accepted international norm, nor should it be used to govern relations between the U.S. and other countries. The 1969 Vienna convention on the law of treaties states that "a party may not invoke the provisions of its internal law as justification for its failure to perform a treaty." The United States itself is a signatory to the convention.

When the "Taiwan Relations Act" was discussed at the U.S. Congress, the Chinese Government reminded the U.S. Government that in many respects, the text of the act to be put to vote at that time violated the principles agreed upon by both sides for the establishment of diplomatic relations and the commitments undertaken by the American side. Therefore, the act would be very detrimental to the new relationship just established between the two countries. After the act was adopted, the Chinese Government again warned the U.S. Government that the U.S. side could only bring harm to the Sino-U.S. relations and do no good to either side if it did not observe the agreement on the Taiwan problem reached by both sides when their diplomatic relations were established.

The Chinese Government also expressed the hope that the U.S. Government would bear the overall situation of Sino-U.S. relations in mind and strictly observe the principles laid down in the agreement for the establishment of diplomatic relations between the two countries.

Sino-U.S. relations have traversed a long and tortuous road and are now at another crucial moment of whether to advance in the direction as charted in the "Sino-U.S. joint communique," or to retrogress because of the "Taiwan Relations Act." It will be up to the policymakers in the United States to decide whether they should correctly sum up historical experience and draw lessons therefrom, soberly evaluate the whole situation in international struggle and free themselves from the interference of the "Taiwan Relations Act."

#### GU MU MEETS STANFORD INSTITUTE DELEGATION

OW061258 Beijing XINHUA in English 1251 GMT 6 Jul 81

[Text] Beijing, 6 Jul (XINHUA)--Vice-Premier Gu Mu met with a delegation from the Stanford Research Institute international of the United States at the Great Hall of the People here this afternoon. The delegation is led by Weldon B. Gibson, executive vice president of the institute.

Gu Mu briefed the guests on China's policies on trade and economic and technical cooperation with foreign countries during the current national economic readjustment. He also listened to the guests' views on joint ventures and other issues. Shu Ziqing, director of the International Trade Research Institute under the Ministry of Foreign Trade, was also present.

The delegation arrived here July 1 at the invitation of the Trade Research Institute.

#### BRZEZINSKI ARRIVES IN SHANGHAI FOR VISIT

OW060922 Shanghai City Service in Mandarin 2300 GMT 5 Jul 81

[Text] At an invitation to visit China, Brzezinski, former U.S. assistant to the president on national security, and his wife arrived in Shanghai by plane on the evening of 5 July for a visit.

#### U.S. COMPANIES COOPERATE IN OIL PROSPECTING

OW030035 Beijing in Mandarin to Taiwan 0015 GMT 2 Jul 81

[Text] According to news from Guangzhou, massive data collected by the South China Sea branch of the China Petroleum Company through geophysical and well-drilling prospecting shows that the South China Sea is one of the world's sea areas with tremendous potential as an oil source.

In the past 2 years, this branch of the China Petroleum Company conducted seismic tests and collected data on geophysical prospecting in cooperation with such U.S. oil companies as Arco, Amoco, Mobil, Exxon, Texaco and Phillips. It now has data on 134,700 [sq] km of the continental shelf in the northern part of the South China Sea from geophysical prospecting and from the 13 deep wells on the sea and 1 well on a reef island. So far 18 wells have been drilled on the sea, and 8 have yielded an industrial oil flow.

UPCOMING POLISH PARTY CONGRESS, INFIGHTING VIEWED

OW040806 Beijing XINHUA in English 0728 GMT 4 Jul 81

[Text] Beijing, 4 Jul (XINHUA)--With the congress of the Polish United Workers' Party soon to be held, controversies over the party program and line and wrangling over the elections of delegates to the congress have intensified and the Soviet Union steps up its intervention in Poland's internal affairs and pressure on the party leadership.

By contrast, the conflict between the government and the Solidarity trade union is not so threatening as before. There have been no major strikes in the last three months despite the rankling issues. The Solidarity leader, Lech Walesa, has stated more than once that it is imperative to maintain social stability so that the government may be able to put things in order and carry out its reforms.

But as the congress is only 10 days away, the infighting within the party has surfaced and sharpened. Following the party's decision last December to convene the extraordinary congress, the provincial and lower party organizations were asked to discuss the prevailing situation and the party program. Exploiting the opportunity to the full, many "forums", "discussion clubs" and "coordinating committees" mushroomed.

On April 15, over 600 representatives of party members from the country's 19 provinces and districts met at Torun. The "Torun forum" demanded greater inner-party democracy and reform of the party's establishment. It also demanded that the Central Committee rid itself of those whom the membership no longer trust.

This was followed by the "Katowice forum" formed by over 140 of the Katowice provincial party committee. It published a declaration and a resolution saying that "the position of right opportunism--the natural ally of the antisocialist forces--has grown stronger." It criticised the party leadership for its "passivity and appreciation (of the demand for reform--editor)" which, it said, "bring in its wake the mounting danger of a revisionist coup attempt".

Reactions came quickly enough. A number of local party organizations issued statements or passed resolutions [which] repudiated the forum's activities as resistance to socialist reform and an attempt to split the party and mislead Poland's "allies".

The Politburo of the Polish party pointed out on June 2 that the forum's activities were "harmful" and "detrimental to the efforts to strengthen party unity".

Of the other forums, the "forum of Poznan communists" passed a resolution criticising the present leadership and declaring "full support" for the Soviet party's letter and its assessment of the situation within the Polish party and in Poland. Meantime, it expressed "complete approval" of the appraisal and the conclusion in the resolution adopted by the 11th plenary session of the Polish party's Central Committee.

Soviet media promptly reported the documents published by the "Katowice forum" and said that the forum's charges against the party "proceeded from the standpoint of Marxism-Leninism". Later, it reported approvingly the resolution of the "forum of the Poznan communists".

This external factor has added to the complexity of the Polish party's infighting.

The infighting came to a head at the subsequent 11th plenary session of the party Central Committee. Some speakers at the session declared their agreement with the appraisal of the situation in the country contained in the letter sent by the CPSU Central Committee to the Polish party Central Committee. They attacked the present leadership for "inability to get the country out of the crisis" and demand reorganization of the party's Politburo and removal of Stanislaw Kania from the office of first secretary of the party Central Committee.

However, more speakers support Kania and the line followed by the Central Committee and opposed reorganization of the top leadership.

At the end of the debate, an overwhelming majority of the Central Committee members voted for Kania and Premier Wojciech Jaruzelski. The session passed a resolution reaffirming the party line for socialist reform and settlement of social conflicts by political means. It upheld the decision to convene the ninth extraordinary congress as scheduled.

Since the upheaval, the Kremlin has exerted relentless political pressure on Poland through propaganda barrages, meetings of leaders of the two countries and the June 5 letter. It also subjected Poland to military pressure in the form of troop buildup on the border and large-scale and prolonged manoeuvres. For quite some time, Moscow directed its broadside at the Solidarity. After Mikhail Suslov, one of the Soviet party's top leaders, visited Warsaw on April 24, then Moscow's mouthpieces began publicly to rail at the Polish party, alleging that revisionism had emerged in the party. "Revisionist elements in the Polish party," so they said, "have acted in league with the right-wing of the 'Solidarity' union to force the party to accept structural reform to their liking, in course of preparations for the 'ninth party congress'."

Then in its letter to the Central Committee of the Polish party Central Committee on June 5, the CPSU Central Committee criticised its line and policies, attacked the Polish leaders by name and even went so far as to call on the "healthy forces" in the Polish party to "hit back" and "fight".

So far Soviet pressure on Poland takes the form of propaganda pressure, open criticism, ultimatum, and military manoeuvres. It asserted that developments in Poland threatened "the fruits of revolution of the Polish people" as well as "the interests of our entire community" and "our common security". Leonid Zamyatin, top spokesman of the Soviet party, publicly stated that he believed "the Polish leadership cannot bring the situation under control". And the June 5 letter, plainly in the nature of an "ultimatum", demands that the Polish leaders "reverse the course of events and put the situation onto a correct course before the 'ninth party congress'." And Soviet armed forces, long poised for swift armed intervention, have again held manoeuvres in Poland and some neighbouring countries.

The escalation of Soviet intervention has yielded little results; and an outright military intervention would certainly proved to be a costly venture. The Kremlin is facing an agonizing dilemma. The whole world is now watching what action the Soviets will take if the Polish party congress is held as scheduled.

FURTHER REPORT ON 1979-80 MONETARY STATISTICS

OW040543 Beijing XINHUA Domestic Service in Chinese 0222 GMT 3 Jul 81

[Text] Beijing, 3 Jul (XINHUA)--The following are categories of national monetary statistics for 1980 (unit: 100 million yuan):

	End of 1979	End of 1980
State credit loans		
Deposits	1,340.04	1,658.64
By enterprises	468.91	573.09
By the treasury	148.68	162.02
By capital construction units	131.30	171.75
By government departments and organizations	184.88	229.45
By urban residents	202.56	282.49
By rural residents	203.71	239.84
By international monetary institutions	n/a	34.27
Currency in circulation	267.71	346.20
Bank's own working capital	427.88	477.33
Bank's surplus	49.45	27.19
Other items	77.52	80.63
Total loanable funds	2,162.60	2,624.26
Bank loans	2,039.63	2,414.30
To industrial production enterprises	363.09	431.58
To industrial supply and marketing enterprises and to material supply departments	242.12	236.03
Commercial loans	1,232.25	1,437.02
Short- and medium-term loans for buying equipment	7.92	55.50
Industrial and commercial loans to collective and individual enterprises in city and countryside	57.51	78.29
For down payments	6.98	7.88
To state farms	6.86	9.40
To rural communes and production brigades	122.90	158.60
Gold purchases	12.16	12.16
Foreign exchange purchase	20.58	18.47 (minus)
Balances with international monetary funds	n/a	36.04
Money advanced to the Ministry of Finance	90.23	170.23
Total funds utilized	2,162.60	2,624.26
Total deposits taken in and total loans granted by the rural credit cooperatives		
Deposits	215.88	272.34
By communes and production brigades	98.33	105.48
By enterprises of communes and production brigades	21.93	29.47
By commune members	78.43	117.03
By others	17.19	20.36

I. 7 Jul 81

K 2

CHINA  
PRC NATIONAL AFFAIRS

Loans	47.54	81.64
To communes and brigades for agricultural production	22.34	34.54
To commune and brigade-run enterprises	14.15	31.11
To individual commune members	10.85	15.99

Foreign exchange rates and gold and foreign exchange reserves

Exchange rates

Renminbi exchange rate for special drawing rights (SDR)	1.9710 yuan	1.9517 yuan
Exchange rates for the U.S. dollar (yearend rate)	1.4962 yuan	1.5303 yuan
Exchange rates for the U.S. dollar (average rate for the year)	1.5549 yuan	1.4984 yuan

Gold and foreign exchange reserves

Foreign exchange (100 million U.S. dollars)	21.54	22.62
Gold (million troy ounce)	12.8	12.80

BAN YUE TAN MARKS CCP FOUNDING ANNIVERSARY

OW250628 Beijing XINHUA Domestic Service in Chinese 0023 GMT 25 Jun 81

[Report on article by the BANYUE TAN Editorial Department: "The 60 Great, Glorious Years"]

[Text] Beijing, 25 Jun (XINHUA)--Issue No 12 of the semimonthly BAN YUE TAN, published today, carries an article entitled "The 60 Great, Glorious Years" by its editorial department. The article gives an account of the CCP's glorious career over the past 60 years and expounds upon the party's successful experiences and historical lessons in the 28 years of new democratic revolution and the 32 years of socialist revolution and construction.

The article says: Sixty full years have elapsed since the founding of the CCP in July 1921. The 60 years are divided into two stages. The first stage, from July 1921 to September 1949, was the period of new democratic revolution. During this period, the CCP led the broad masses of people in overthrowing the reactionary rule of imperialism, feudalism and bureaucratic capitalism in China and in winning the great victory of the new democratic revolution after waging extremely arduous struggles for 28 years. The second stage, from the founding of the PRC in October 1949 to the present, has been the period of socialist revolution and construction. In this period, the people of all nationalities throughout the country, under the leadership of the CCP, have through 32 years of heroic struggle basically completed the socialist transformation of private ownership of the means of production and established the socialist system in the east, which has a vast territory, a large population and is economically and culturally backward. Furthermore, they have laid a considerable material and technical foundation and trained a large number of qualified backbone personnel for future socialist modernization. Furthermore, they have accumulated both positive and negative experiences. All these victories of great historical significance show that the 60 years of the CCP are 60 great and glorious years.

The article points out: It has been very difficult for the CCP to lead the Chinese people in winning these historically significant victories. They have been won through heroic, indomitable struggles where no sooner did one fall than another stepped into the breach. The CCP has won victories, suffered setbacks and drawn lessons from these setbacks. Therefore, its knowledge and actions have increasingly accorded with the objective requirements of the revolution and construction in China.

The article then dwells on the courses followed by the CCP during the two periods of the new democratic revolution and the socialist revolution and construction.

This article is about 20,000 Chinese characters long. The first part of the article dealing with the 28 years of new democratic revolution is published in Issue No 12 of the semimonthly BANYUE TAN. The second part on the 32 years of socialist revolution and construction will be carried in Issue No 13 of the semimonthly to be published on 10 July.

WRITER DING LING BEING TREATED FOR CANCER

OW030458 Hong Kong AFP in English 0426 GMT 3 Jul 81

[Text] Beijing, 3 Jul (AFP)--The well-known Chinese woman novelist, Ding Ling, has had to undergo treatment for cancer, reliable sources said here today. Further details on her illness were not given. The 77-year-old writer who was rehabilitated two years ago, has survived years behind bars in work camps and prisons.

She was a victim of the "anti-rightist" campaign in 1957. Twenty years earlier she joined the forces of the late Chairman Mao Zedong at the famous "Red base" of Yanan and during the Cultural Revolution from the mid-sixties to the mid-seventies, she wound up in a labour camp in the northeast Heilongjiang Province.

Foreign visitors who recently met Ding Ling, said she had appeared to be in good shape.

SOONG CHING LING'S GRAVE OPENED TO PUBLIC

OW021234 Beijing XINHUA in English 1214 GMT 2 Jul 81

[Text] Shanghai, 2 Jul (XINHUA)--More than 1,000 people yesterday visited the Shanghai grave of Soong Ching Ling, honorary president of the People's Republic who died in May at the age of 90. The grave is in a tree-shaded family burial plot in a western Shanghai suburb.

There were some emotional scenes as aged people gathered around the grave. One of the mourners, 83-year-old Luo Ciqi, a deputy to the Guizhou Provincial People's Congress who had met Mme Soong in the 1930's, read out a poem he had written in her honor. Other mourners included staff of the China Welfare Fund, which was organized by Soong Ching Ling, and children from some of the children's palaces run by the fund.

CAPSIZED BOHAI BAY OIL RIG BEING SALVAGED

OW030840 Beijing XINHUA in English 0715 GMT 3 Jul 81

[Text] Beijing, 3 Jul (XINHUA)--Work is now in progress to salvage the oil drilling rig "Bohai 2" which capsized in China's Bohai Bay on November 25, 1979, reports the PEOPLE'S DAILY today.

Two months' work by a salvage team from the Yantai shipwreck rescue and salvage bureau resulted in refloating of the rig's mat, [which] weighs 1,500 tons and is 48.5 meters long, 38 meters wide and 5.6 meters in depth. The mat emerged from 30 meter deep water on June 9.

The mat is a submarine-like floating system that raises or lowers the platform of an off-shore rig. The entire rig, consisting the mat, platform and four legs, weighs 5,000 tons.

The workers are attempting to salvage the platform.

Seventy two people on board "Bohai No 2" were killed when it capsized in the stormy waters of the Bohai Bay.

DROUGHT ENDS IN MOST PARTS OF NORTH CHINA

OW061256 Beijing XINHUA in English 1246 GMT 6 Jul 81

[Text] Beijing, 6 Jul (XINHUA)--Good rains over the past few days have relieved the drought that hit most of north China for about a year, the central meteorological station said in the capital today.

After a prolonged dry spell, rains fell at the end of last month in Hebei, Shandong, Henan, Shanxi and Shaanxi Provinces. Then from July 3 to 4, 20 to 40 millimeters of rain fell in most of north China and northeast and northwest China. The rainfall in and near the Beijing area was the heaviest since September last year. In central and south Hebei Province, the hardest hit province, the rainfall on July 3 and 4 was between 60 to 100 millimeters.

The widespread rains are beneficial to the standing crops sown in spring and summer on 53 million hectares in China. However, drought persists in western inner Mongolia, eastern and central Gansu, eastern Shandong and western Liaoning and Jilin where there have been only light rains.

YANG DEZHI STRESSES CCP LEADERSHIP OVER ARMY

OW050548 Beijing XINHUA Domestic Service in Chinese 0732 GMT 4 Jul 81

[Article by Yang Dezhi, member of the CCP Secretariat and PLA chief of Central Staff, entitled: "Unswervingly Uphold Our Party's Absolute Leadership Over the Army--in Commemoration of the CCP's 60th Founding Anniversary"--carried in HONGQI No 13 of 1981]

[Text] Beijing, 4 Jul (XINHUA)--As we solemnly commemorate its 60th founding anniversary, our party has successfully held the 6th Plenary Session of the 11th CCP Central Committee. The session adopted the "Resolution on Certain Questions in the History of Our Party Since the Founding of the People's Republic of China," reelected principal leading members of the Central Committee and elected new ones. This is an event of great, immediate and far-reaching historical significance. It shows that our party, which dares to uphold the truth, is good at correcting its mistakes and, through the tests of twists and turns as well as victories, has further united and become stronger and greater and is worthy to be called a proletarian revolutionary party guided by Marxism-Leninism-Mao Zedong Thought. Under the great banner of Marxism-Leninism-Mao Zedong Thought, the whole party, the entire army and people of all the nationalities in the country are closely rallying around the party Central Committee and building a modern and powerful socialist country with one heart and one mind. Our cause will certainly surge forward with great vitality.

The CCP is the force at the core leading the people throughout China. During the new historical period, the nucleus of the four basic principles we uphold is firm perseverance in the leadership of the CCP. When this is related to the people's army, it means upholding the principle of "the party commands the gun" or adhering to the party's absolute leadership over the army. An army of the proletariat is the prime requirement for a proletarian party to seize political power and consolidate it. It is an armed group implementing revolutionary political tasks. The purpose of our army, since the date of its birth, has been one of serving the Chinese people heart and soul. It has taken on its shoulders the mission of fulfilling the historic tasks of the proletarian party in this country. Its nature and missions dictate that only under the CCP's absolute leadership can it fulfill its great historic tasks. Without party leadership, our army cannot accomplish its revolutionary political missions, nor can it serve its purpose nor retain its proletarian nature.

The Chinese PLA was founded by Comrade Mao Zedong and the other proletarian revolutionaries of the older generation and, under the CCP's absolute leadership, has grown in strength through the tests of protracted periods of war. One of the special characteristics of the democratic revolution in China is resorting to armed revolution to oppose armed counter-revolution. In this country, without the leadership of the CCP and without armed struggle, the people's army cannot exist or grow and the cause of revolution cannot be victorious.

Since its defeat in the first great revolution, our party has understood the truth that "political power grows out the barrel of a gun." It led armed uprisings in many parts of the country and began to establish the people's army. On 1 August of 1927, Comrades Zhou Enlai, Zhu De, He Long, Ye Ting and Liu Bochong, acting in accordance with the instructions given them by the party, led more than 30,000 troops of the northern expedition army to stage the Nanchang uprising, firing the first shots against the Kuomintang reactionaries. In pursuance of the decision of the party's "7 August" conference, Comrade Mao Zedong led the autumn harvest uprising in the Hunan-Jiangxi border area on 9 September that same year and directed the uprising troops to the Jinggangshan Mountains to establish an armed independent regime of workers and peasants. In April 1928, the troops led by Comrades Zhu De and Chen Yi that were left behind after taking part in the Nanchang uprising and the units participating in the insurrection in southern Hunan arrived at the Jinggangshan Mountains after repeated fighting and joined the force led by Comrade Mao Zedong. These forces merged into the 4th Army of the Chinese workers and peasants' Red Army.

During this period, our party led more than 100 armed uprisings in Guangzhou, Pingjiang and in the areas of Hubei-Henan-Anhui, western Hunan-Hubei, Fujian-Zhejiang-Jiangxi, Hunan-Hubei-Jiangxi, Haifeng-Lufeng and in the regions on the left and right sides of Xijiang River and Hainan Island. With the founding of a number of Red armies of workers and peasants, the flames of the Chinese revolution were kindled.

By 1930 the Red Army units had grown to nearly 100,000 men. Several armies and corps were formed. These later developed into the First, Second and Fourth Front Armies. The party not only launched but also carefully cultivated the people's army. From the very beginning of our army's founding, the party attached great significance to building party organizations and to political and ideological work in the army. At that time the Red Army was mainly composed of peasants and those who had crossed over from the old armies. Consequently there was a rather serious problem of unhealthy trends prevailing in the Red Army such as slackness in discipline, ultrademocracy, anarchism and warlord style. In view of this problem, Comrade Mao Zedong himself called the ninth party congress of the Fourth Red Army in December 1929 at Gutian Village in Shanghang County, Fujian Province, and delivered the report "On Correcting Mistaken Ideas in the Party." With the dissemination of the guidelines of the resolution adopted at the Gutian Congress, a wide-scale ideological education to eliminate nonproletarian ideas was carried out in all army units.

In the course of the long revolutionary war in the ensuing years, the party launched several new-type ideological education movements in the army, thereby gradually putting our army on the basis of Marxism-Leninism-Mao Zedong Thought and making it an entirely new people's army different from any army in the old days. At the same time the principle that party branches should be organized on a company basis was formulated and party organizations and political departments at various levels along with a system of political work were established in our army. Our army's purpose was defined as that of serving the people wholeheartedly. The army was required to display the three major styles of work--integrating theory with practice, making criticism and self-criticism and forging close ties with the masses--to carry out the tasks as a fighting force, a working force and a productive force, to adhere to the three basic principles of unity between the army and the people, between officers and men, and of disintegrating the enemy troops, to put into practice the three major democracies--political democracy, economic democracy and military democracy--and to abide by the three main rules of discipline and the eight points for attention. This ensured the party's absolute leadership over the army and enabled the army to preserve its proletarian nature.

It was for this reason that during the 22 years of unprecedentedly arduous revolutionary war, our army was able to grow from small to large, to become stronger and stronger in the course of fighting and to fight valiantly together with the people. It was because of this that our army was able to smash the enemy's encirclement and suppression, interceptions and attacks in the agrarian revolutionary war, to defeat the Japanese imperialist aggressors in the war of resistance against Japan and to put the Kuomintang reactionaries to rout in the war of liberation. It was also because of this that our army was able to overthrow the reactionary rule by imperialism, feudalism and bureaucrat-capitalism. Following the nationwide liberation, our army maintained its fine traditions, continued to advance and successfully safeguarded the socialist revolution and construction of the motherland. Today it has developed into a relatively sizable people's army composed of numerous services and branches, a mighty force against aggression and expansion by imperialism and hegemonism and for the defense of peace in the Far East and in the world.

It was for this reason that during the past decades our army was able to forge close flesh-and-blood ties and maintain fish-and-water relations with the people. Either on heavy-combat battlefields or in rescue efforts, our army's commanders and fighters were willing to sacrifice themselves in order to protect the interests of the masses. For this purpose thousands upon thousands of our fine comrades gave their lives. On the other hand the people have always regarded our army men as their own soldiers. The people have lived frugally in order to support army units: They have shielded wounded soldiers from enemy search even at the cost of their own lives. They warmly love and trust the people's army.

It was for this reason that our army was able to repeatedly smash the criminal acts of careerists and conspirators in splitting the party and the armed forces, to rally closely and consistently around the party Central Committee, to unite on the basis of Marxism-Leninism-Mao Zedong Thought and to stand as a mainstay loyal to the party and the people's revolutionary cause. During the Long March Zhang Guotao plotted to set up another Central Committee and to split the party and the Red Army, but in the end he met with the ignominious fate of having to flee alone without even his bodyguards. After liberation Gao Gang dished up the "army party theory" in a futile attempt to use the gun to command the party, but finally this scheme failed and was exposed, and he had to reap the bitter fruit of his own sowing. Lin Biao plotted to usurp the party and state leadership, wildly clamoring that he wanted to "command everything" and "arrange everything." In the end, however, he was unable to win over to his side even a squad or a platoon. All he could do was to hurriedly escape with his wife, his son and a few sworn followers, and in the end he died in the wilderness. With a dream of becoming "empress of the Red capital," Jiang Qing tried sometimes to attack and sometimes to win over our army, but she could never succeed. Finally she was arrested and was brought to the judgment of history by the party and the people. These ironclad facts eloquently prove that the party's absolute leadership played a decisive role in the growth and development of our army.

Historical experiences, positive and negative, tell us that without the CCP's absolute leadership, our people's army cannot exist even for a single day. To resolutely uphold the party's absolute leadership or to oppose it amounts to a question which is not only crucial to the growth and development of our army but which also concerns the success or failure of our revolutionary cause. We must bear in mind this incontestable truth, which has been verified through decades of practice. Any idea or action attempting to weaken or do away with the party's absolute leadership in the army is extremely detrimental and must be resolutely opposed.

We are now at a new historic juncture. The army not only shoulders the task of building and defending the four modernizations, but also has to do well in consolidating, improving and building itself. This is a matter of importance that the people of all nationalities in the country have entrusted to the people's soldiers and a great historical task that the party has assigned to our army. To accomplish this hard yet glorious task, it is imperative to resolutely uphold the party's absolute leadership of the army.

The most fundamental thing about resolutely upholding the party's absolute leadership is to firmly keep to the leadership of the party's Marxist revolutionary line and its principles and policies. As proved by our army's experience over the decades, by firmly supporting the strategic changes made by the party and by resolutely carrying out its correct line, principles and policies at major historical junctures, we have been able to overcome the twists and turns and the difficulties encountered on the road and to advance from victory to victory.

At the beginning of the war of resistance against Japan, our party decided to carry out a second Kuomintang-CCP cooperation effort in the interest of the whole nation and reorganized the Red Army, our main armed forces, as the 8th Route Army, while the guerrillas remaining in the southern provinces after the Long March were reorganized to form the New 4th Army. Our party then ordered the various army units to penetrate deeply into the enemy's rear areas to engage in guerrilla warfare and build anti-Japanese bases in order to contribute, through our concrete action, to the formation of a national united front against Japanese aggression.

This marked a major strategic change in our party's history. Resolutely supporting the party's strategic change and implementing its strategic policy decision, the broad masses of commanders and fighters of our army set out to various battlefields in high morale to fight bloody battles with the Japanese aggressors. Vigorous flames of anti-Japanese battles were kindled here and there, from the area of the Changbai Mountains to the foot of the Wuzhi Mountains and from the banks of the Huanghe to the Chang Jiang valley. Comrades Zhu De, Peng Dehuai, Liu Bochong, Deng Xiaoping, He Long, Luo Ronghuan, Xu Xiangqian and Nie Rongzhen separately led the main force of the 8th Route Army, namely the 115th, 120th and 129th Divisions, to northern China. After that the New 4th Army led by Comrades Ye Ting, Xiang Ying and Chen Yi marched to southern and northern Jiangsu to carry out anti-Japanese guerilla operations. Taking advantage of the topography of the Luliang, Wutai, Taihang and Yimeng Mountains and relying on the broad masses, our 8th Route Army carried out guerrilla operations, appearing and disappearing mysteriously and fighting flexibly and skillfully to strike at the Japanese aggressors. It always won the battle and performed many superb feats. It fought at Pingxingguan, carried out a night raid on Yangmingbao, defeated the "encircling attacks from nine directions," smashed the "Iron-wall encirclement," and shattered the "containment policy." It smashed the numerous "village mopping-up," "nibbling" and "sweeping" campaigns, wiped out large numbers of enemy and puppet troops, frustrated the three anticommunist high tides launched by the Kuomintang reactionaries, recovered the vast expanse of lost land and built the Shanxi-Qahar-Hebei, Shanxi-Hebei-Shandong-Henan, Shanxi-Suiyuan and Shandong anti-Japanese bases. It used its concrete actions to tell the people of all nationalities and of all strata in the country the fact that the people's army led by the CCP stood at the forefront of the war of resistance against Japan, was a main force to save the nation from peril and represented the genuine hope of the people to be extricated from the abyss of misery. At the same time, it made the enemy aware that the Chinese people, now armed, could in no way be defeated. This encouraged and spurred on the anti-Japanese war on a nationwide scale.

The period from 1941 to 1943 was the hardest time in the war of resistance against Japan. At that time the Hebei-Shandong-Henan border region, where I worked, was hit by drought 3 years in a row, and there were also epidemic diseases. The stubborn forces made up of the Japanese and puppet troops continued their ceaseless wild mopping-up operations, implementing the cruel "triple atrocity" policy of burning all, killing all and looting all. In the face of the precedented difficulties, our Hebei-Shandong-Henan army units resolutely carried out the party's policy of "consolidating the basic areas, developing the guerrilla areas, persisting in the struggle in border areas and preserving and saving our forces."

On the one hand, they went all out to deal blows at the invading enemy troops. During those 3 years, they fought some 2,300 battles, killing more than 19,000 enemy and puppet troops and capturing some 9,000. On the other hand, they mobilized the soldiers and people to provide for and help themselves by engaging in production. A call was issued to bear all hardships and to surmount every difficulty. Finally, the difficult period was over. Historical experience shows that at the crucial moment the army must support the party's strategic changes and resolutely implement its correct line, principles and policies. This is a vital guarantee for the victory of the revolution.

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Since the 3d Plenary Session of the 11th CCP Central Committee held in 1978, our party has, systematically and thoroughly, set to rights things that had been thrown into disorder, eliminated the old, erected the new and established the path to carry out modernization according to China's actual situation. The central work conference held in 1980 again made a major policy decision, working hard to carry out further economic readjustments and to achieve greater political stability.

Now the 6th Plenary Session of the 11th CCP Central Committee once again calls on the whole party, the entire army and the people of all nationalities throughout the country to continue carrying forward the spirit of the foolish old man who removed the mountain, to work with one heart and one mind, and to turn China into a modern and powerful socialist country with a high degree of democracy and civilization. At this crucial moment when this major change is taking place, we should all the more carry forward our glorious traditions, resolutely implement the line, guidelines and policies laid down since the 3d Plenary Session of the 11th CCP Central Committee; continue to emancipate our thinking; firmly uphold the four basic principles; eliminate interferences from left and right erroneous thinking; further straighten out the ideological line; closely keep pace with the party's strategic changes both in one's own thinking and one's own actions; and make fresh contributions to developing and safeguarding the four modernizations program.

To follow the party's absolute leadership means to obey the party's command in everything. In fulfilling the task assigned by the party, we must be all the more set on driving forward when there is danger ahead. We should fight wherever the party directs us. By no means shall we fear difficulties and retreat. This is our army's finework style that has been handed down from one generation to another.

During the difficult years of war, Comrade Mao Zedong and the proletarian revolutionaries of the older generation as well as the broad masses of commanders and fighters of our army had already set examples. In the second year of the war of liberation when our army had just entered the stage of launching a strategic counterattack against the Kuomintang reactionaries, all the conditions our army met were very difficult. To draw the war to the Kuomintang controlled area, wipe out the enemy on exterior lines and thoroughly smash to pieces Chiang Kai-shek's counterrevolutionary plan to shift the war to the liberated areas, Chairman Mao resolutely decided to send a part of our army to penetrate the Kuomintang-controlled area in order to attract the enemy's main force and relieve the enemy's threat against the liberated area in Shandong. Our main forces led by Liu Bocheng and Deng Xiaoping resolutely implemented the orders issued by the party Central Committee, courageously shouldered this arduous but glorious task, valiantly marched south and broke through many enemy defense lines. They made a leap forward of a thousand li, fought the enemy for state power and boldly drive into the Tabieshan area. Like a sharp knife thrust into the enemy's heart, they directly threatened Kuomintang lairs in Wuhan and Nanjing and drew up the great curtain of our army's strategic counterattack. At that time, on the question of whether or not the Tabieshan revolutionary base area could be consolidated, the party Central Committee and Chairman Mao envisaged three possibilities: 1) Our army would be unable to hold its ground and would have to turn back after paying a price. 2) It would be unable to hold its ground and have to fight guerilla warfare in the vicinity after paying a price. 3) It would be able to hold its ground after paying a price. Senior officers Liu and Deng as well as the broad masses of army commanders and fighters remarkably accomplished their task with actual deeds, firmly held their ground in the Tabieshan area and realized the best possibility. It was in that same year that under the leadership of Comrade Nie Rongzhen, our Shanxi-Qahar-Hebei troops triumphantly fought the Qingfengdian campaign. First of all, they drew out of their lairs the enemy troops guarding Shijiazhuang. Then, they made a forced march like a strong wind, wiped out the whole enemy division in the movement and captured over 10,000 enemy soldiers, including the commander of the enemy's 3d Army, Luo Lirong. After that, they once again brought into full play the work style of continuous fighting and fearing no fatigue, and concentrated the main force of the Shanxi-Qahar-Hebei field army and some local troops in central Hebei to liberate Shijiazhuang, which was heavily guarded by the enemy.

In the Shijiazhuang campaign, over 20,000 enemy soldiers guarding the city were totally wiped out. This joined the Shanxi-Qahar-Hebei liberated area with the Shanxi-Hebei-Shandong-Henan liberated area and played an important role in further developing a large-scale counterattack on the north China battlefield.

Commander in Chief Zhu De praised this campaign highly as a "new example of seizing a big city," and jubilantly wrote a poem: "Heroes in our party have emerged one after another. From now on, we do not have to worry about our hair graying at the temples." This kind of revolutionary spirit in our army of resolutely implementing orders issued by the party, of advancing wave upon wave and of pressing forward with an indomitable will is not only a priceless treasure for defeating the enemy and winning victories in war years, but also a gigantic force for developing and safeguarding the four modernizations program today. To safeguard the security of the motherland's territorial land, air space and waters, and to oppose aggression and threats to China by imperialism and hegemonism, our army must display the heroic spirit of pressing forward with indomitable will and of vowing not to coexist with our enemy, and must resolutely carry out the orders issued by our party. Following certain changes in the state system, the system of the army will also undergo certain changes. Under the new historical conditions, all cadres and fighters of our army must bring into full play the fine traditions and work style of the members of the old Red Army and the old 8th Route Army; resolutely accept the party's assignments; learn from Comrade Lei Feng, who cherished whatever assignment he was given, did his best, devoted himself to his duties and remarkably fulfilled missions assigned by the party; and support and strengthen the party's absolute leadership over the army. They must do so whether they are stationed in the cities, guard the border regions, remain PLA troops, or have been transferred to work in local areas or engage in any revolutionary tasks.

To uphold the party's absolute leadership, we must persistently regard political work as the lifeline of our army and incessantly use Marxism-Leninism-Mao Zedong Thought to educate the army. This is a solid foundation in ensuring the party's absolute leadership over the army. The fundamental distinction between a proletarian army and a bourgeois army is that the proletarian army has a set of revolutionary political functions and that the ideological and theoretical foundation in guiding this army is Marxism-Leninism-Mao Zedong Thought. Our army is a revolutionary armed force composed mainly of peasants, coming from the many different parts of the country, diverse in origin, experience and disposition. What kind of strength has made this army united as one under the banner of the party for scores of years? What kind of strength has made this army courageous, fearless and invincible? One important factor is the education the PLA troops receive in Marxism-Leninism-Mao Zedong Thought. This education helps all the commanders and fighters understand why they join the army and what they are fighting for, acquire a highly developed political consciousness and common revolutionary ideals and attain a common goal of struggle. Therefore, the broad masses of commanders and fighters of our army are able to consciously place themselves under the absolute leadership of the party and unremittingly fight for the noble interests of the party and the people at all times. In the 22-year long democratic revolution in which armed struggle was regarded as the main form of struggle and in 32 years of socialist revolution and socialist construction, many heroes and models have emerged from our army. They are brilliant representatives in this regard. Our experience in the past tells us that to persistently educate the PLA troops with Marxism-Leninism-Mao Zedong Thought will create vitality in political work and militancy in PLA troops. After the decade of disorder in the country, some comrades have a misunderstanding that since Comrade Mao Zedong made mistakes in his late years, it looks like we do not have to uphold Mao Zedong Thought any more. This view is erroneous. We must deal with Mao Zedong and Mao Zedong Thought with a scientific approach. Comrade Mao Zedong made mistakes in the 10-year "Great Cultural Revolution." However, if we judge his activities as a whole, he made indelible contributions to founding and developing the party and the people's liberation and to the birth of the People's Republic of China and the advance of socialism in our country.

He has been publicly recognized as a great Marxist, a great proletarian revolutionary and strategist and the great leader of the whole party, the entire army and the people of all nationalities throughout the country. Our party and the people of all nationalities in the country would have had to grope in the dark much longer had it not been for Comrade Mao Zedong and the party Central Committee he led more than once to rescue the Chinese revolution from grave danger and chart the firm, correct political course for the party and the army. As a product that integrates the universal truth of Marxism-Leninism with the concrete practice of the Chinese revolution, Mao Zedong Thought is recognized as the guiding ideology of the party. So far as our army is concerned, Comrade Mao Zedong's theories on the building of the people's army, his theses on political work in the army and his series on strategy and tactics in a people's war are even more powerful ideological weapons, which have always been used to overcome difficulties and obstacles and defeat the enemy.

For decades, Mao Zedong Thought has nurtured the cadres and the fighters of our armed forces. Those who were admitted during the era of the Red Army, during the war of resistance against Japanese aggression, during the war of liberation or after the founding of the PRC have all been highly educated by Mao Zedong Thought. The growth and development of our armed forces have never strayed from the path of Marxism-Leninism-Mao Zedong Thought. Of course, our advocacy of upholding Mao Zedong Thought is by no means an attempt to restore the erroneous leftist ideology which prevailed prior to the third plenary session. It is necessary to sum up the experiences and lessons learned from the mistakes committed by Comrade Mao Zedong in his later years. Without doing so, more and more serious mistakes might possibly be made. However, in summing up such experiences and lessons of history, certain historical conditions must be taken into consideration. We not only oppose adopting a dogmatic attitude toward Mao Zedong Thought, mechanically memorizing certain existing ways of handling things or engaging in the so-called "two whatevers," but also oppose adopting an attitude of completely negating Mao Zedong Thought, thinking that it has lost its practical significance of guidance or refusing to study and apply it. We should uphold the correct principle put forth at the third plenary session, understand completely and correctly the scientific nature of Mao Zedong Thought, adopt a dialectical and historical materialistic viewpoint toward Comrade Mao Zedong and his theses, and use the Marxist doctrine that everything has two different aspects to replace the subjective idealism and the metaphysical method that adopt either an absolutely affirmative or absolutely negative attitude toward everything. The cadres and fighters of our armed forces, in particular those ranking cadres, should take the lead in studying Comrade Mao Zedong's works, in particular his philosophical and military writings, study his stand, viewpoint and method of analyzing and handling problems, and study his high skill in building the armed forces, directing warfare and defeating a strong enemy. This is particularly significant for ensuring the ceaseless advancement of our armed forces under the party's absolute leadership and for winning victory in any future war against aggression.

In upholding the party's absolute leadership, it is essential to have firm confidence in the party and to establish the faith that the cause of revolution will surely be victorious. History has undisputedly attested that the CCP is the motive force leading our cause forward and that only the party can guide the Chinese people in extricating themselves from the predicament of being exploited and enslaved and marching onto the brilliant road to socialism; that only the party can make the Chinese nation stand erect in the East and become an important force in supporting the just struggle of the peoples of various countries in the world, in opposing imperialism and hegemonism, in defeating all anti-China activities and in defending peace in the East and the world. Without the CCP's leadership, there are neither the brilliant victories already won by the Chinese people nor the bright future of socialist modernization. It is the resolute confidence of the whole party, the whole armed forces and the people of various nationalities throughout the country to uphold the strengthening and improvement of the party's leadership.

It cannot be denied that our party committed mistakes in the past decade and more and is still facing many difficulties. However, our party has had the fine work style of conducting criticism and self-criticism and the ability to correct its mistakes and surmount the obstacles along the path toward advancement.

After the failure of the 1927 revolution, Chiang Kai-shek slaughtered tens of thousands of our party members and hundreds of thousands of workers and peasants. The blood we shed could fill a stream. Nevertheless, the CCP members were not intimidated. They wiped away their blood stains, buried the dead bodies of their companions, held high the revolutionary banner and continued to advance forward. Because of Wang Ming's mistaken "left" adventurist leadership during the land reform revolutionary period, the Red Army lost all the White areas and 95 percent of the soviet areas. The Red Army was forced to withdraw from the soviet areas and almost landed itself in an impasse. But after the Zunyi conference, our party gained a new life and the Red Army was able to continue to develop. Although there are still many problems at present and the tasks are arduous, our party has since the third plenary session formulated the correct line, principles and policies for solving these problems and the situation has greatly changed. The party's sixth plenary session further summed up the experience and lessons learned since the founding of the PRC and adjusted and strengthened the leadership of the party Central Committee. This fully shows that our party is good at maintaining and strengthening party unity and raising the party's fighting capability by adhering to Marxism. This is our reliable guarantee for accomplishing the great tasks of the new era. We must be firm and optimistic about the future and possess the confidence for winning victory. Any doubts and waverings about the future are unfounded.

Recalling the past and looking toward the future, we feel an upsurge of emotion and are filled with confidence. So long as we bear in mind that we are the great Chinese PLA led by the CCP and that we always should follow the instructions of the party Central Committee, this people's army will forever be invincible. This has been borne out by our army's history of hard struggle over the past decades and will be borne out by the sacred struggle of defending the security and independence of the great motherland.

#### RENMIN RIBAO URGES GOOD CADRE SELECTION, PROMOTION

HK020511 Beijing RENMIN RIBAO in Chinese 26 Jun 81 pp 1, 4

[Commentator's article: "Pay Close Attention to Selecting and Promoting Middle-Aged and Young Cadres, Do a Good Job of Readjusting Leading Groups"]

[Text] It was emphasized in the central work conference of the party in December 1980 that old cadres should regard selecting and training middle-aged and young cadres as a task of prime importance.

During the past 2 years we have selected outstanding middle-aged and young cadres, appointed old cadres and readjusted unsuitable cadres in various units including factories, mines and enterprises up to the central party and government organs, and changed the structures of many leading groups. As a result, their average age has dropped, the proportion of cadres with technical skills, management skill, education and special knowledge has increased, the leading groups have greater vigor and our work and production have improved markedly. These facts prove that the central decisions on strengthening the building of leading groups are completely right.

The task of prime importance in this year's organizational work is still to readjust and reinforce the leading groups at various levels and to further promote revolutionization, rejuvenation, the mastery of knowledge and specialization of members of leading groups at various levels.

From the point of view of carrying out the task of economic readjustment and also of the whole cause of socialism, it is very important to actively select and promote a number of outstanding middle-aged and young people who are politically reliable and have a good knowledge in their specialized fields, to leading groups at various levels.

We have already made some achievements in this respect, but our work still falls far short of the demands of our cause. According to statistics from some industry departments in the State Council in recent years, only one middle-aged or young cadre on average entered the leading group in each enterprise or institution directly under it. The number of middle-aged and young cadres assigned to strengthen the leading departments of the central authorities and government organs, and the leading groups at the level of province or municipality was even smaller. Middle-aged and young cadres account for more than 60 percent of the nearly 20 million cadres in our country and the number of specialized technical cadres trained since liberation is 4 to 5 million. Therefore, we have rich resources of qualified personnel. Our problem now is that we should greatly raise our understanding of the profound strategic importance of this work and enhance our sense of urgency in solving this problem. Some of our comrades in leading groups at various levels are old and in poor health. They certainly have difficulty assuming the heavy tasks of first line work. It is imperative that we take positive and planned steps to prudently and systematically select a number of outstanding people of talent in their 40's and 50's and assign them to leading departments of the central authorities, various provinces, municipalities and autonomous regions and to other state organs. They will work under the guidance of veteran comrades and gradually take over leadership posts following a period of training and practice, so that when old cadres retire in great numbers there will be enough replacements in reserve and no difficulties or losses will be incurred.

In readjusting the leading groups, it is necessary to reinforce them with people who adhere to the party's line, are in the prime of their life and have genuine and sound knowledge in their professional and technological fields. We should pay attention to selecting and promoting people who graduated from universities and colleges in the 1950's or in the early 1960's. Most of them are good and from the point of view of knowledge, experience and energy they are all comparatively good. Experiences and lessons from the past 30 years have shown us that we cannot do economic work well, if we do not have a good number of people who have a mastery of modern science and knowledge and real ability and learning in our leading groups. Our leading groups should be composed of both political workers and specialists. Comrades with high political consciousness will assume the posts of party committee secretaries while experts of various professions with strong organizational capability (including management specialists and scientific and technological cadres) will be given authority to direct productive work. A rational proportion of party cadres and professional experts should be maintained to insure the soundness of leading groups. We must not think that we have done our job of promoting intellectual work and specialization of our leading groups by simply assigning one or two professional experts to leading groups or by promoting the most outstanding technical workers to leading posts. We should pay attention to the following three points in selecting and promoting professional and technical cadres. 1. We must not overlook their political qualifications. They must be those who have firm political stands and who support and implement the principles and policies of the party Central Committee with all their heart. 2. They must have organizational and leading ability. 3. Their assignment should help them develop their professional specialty. Some people can better develop their talent if they are assigned to scientific and technological work. We must not ask those people to do difficult administrative and leading work. We should know each one's ability and assign each to a suitable position.

We should open all avenues for people of talent when we select and promote cadres. We are emphasizing selecting and promoting professional and technical cadres. Because in the past we paid little attention to their role. However, we must not mistakenly think--like some of our comrades--that in the future we will only select talent from graduates of universities and colleges and not from among industrial and agricultural cadres who are also talented and capable. During past years, some cadres who originally had only a low level of education have now acquired a certain level of education and professional knowledge through practice. Those cadres have abundant practical experiences and are in the prime of their lives. They are needed in building the four modernizations and we should certainly promote them and develop their role. When we select and promote professional and technical cadres, we should pay attention to their academic background but we must not consider their school education as the sole criterion.

The genuine leading ability and professional skill, in the final analysis, can only be seen through actual work performances. There is a strange phenomena now: As soon as a middle-aged or young cadre, who was formerly thought by every one to be a good cadre, is promoted to a leading post, reproaches, fault-finding and demands for perfection come thick and fast. In these cases we should, on one hand, listen fully to different opinions and on the other hand, give positive guidance to remove various obstacles to the growth of middle-aged and young cadres.

With regard to the age of leading groups, there should be proper demands, but the issue should be handled flexibly in accordance with the reality in cadre ranks instead of in an over-rigid, indiscriminate or absolute way. Moreover, we should not regard age as a requirement of the prime importance and submit all other requirements to it. The age we mean here is not the age requirement for every member but the average age of leading groups. Some of the actual members of the leading group may be older or younger than the average and we certainly do not mean that a cadre should not be further promoted as soon as he is above the average age. It depends on whether he is healthy enough to be competent for the post and the decision should be based on a comprehensive consideration of the overall structure of the leading group.

To ensure that cadres become younger, more educated and professionally more competent, it is, first of all, necessary to help them revolutionize themselves. To uphold the four basic principles, we must, first of all, rely on revolutionized leading groups at all levels. Particularly in selecting the principal responsible persons of party committees, we must pay attention to overcoming the "left" prejudice of attaching importance to party and government cadres while belittling vocational and technical cadres, of emphasizing one's political history while ignoring facts and of taking into serious consideration one's record of past service while thinking little about one's competence. This kind of prejudice has made us stifle many true talents.

By adhering to the principle of "recruiting young cadres first and letting old cadres retire later," we, on the one hand, can bring into full play the role of old cadres in passing on their experience and helping and guiding the young cadres, while on the other hand, we can do an even better job in making proper arrangements for those old cadres who voluntarily stay at the second or third line so that current work will not be affected. Some of our comrades mistake the principle of "recruiting young cadres first and letting old cadres retire later" for "taking a long bench and let everybody have a seat." Under the influence of such ideas, some old comrades withdraw their applications for retiring to the second or the third line and some old comrades who have already retired to the second or the third line have applied for first line jobs. To "recruit young cadres first before old cadres retire" does not mean "recruiting young cadres without letting old cadres retire." Various units and departments may act according to one's own specific condition to "recruit young cadres first and let old cadres retire later," to "recruit young cadres while letting old ones retire," and to "recruit more young cadres while letting fewer old ones retire." Many old comrades wish to do more work for the party and the people as long as they live. We can understand their aspiration and we fully appreciate it. Their wisdom, experience and authority formed during a long period of struggle is a strong force for building the four modernizations. Whether in bringing order out of chaos, in economic adjustment, in maintaining political stability or in training and selecting successors, we need the role of old comrades. But as time goes on, many old comrades cannot help growing old and in spite of their valuable revolutionary spirit, will lack the vigor necessary for their work. In such a case they will eventually find that they lack the energy to remain fighting in the first line even though they very much wish to. The law of nature cannot be resisted. Old comrades should also assume the attitude of seeking truth from facts toward themselves. Some old comrades go on sick leave for a long time, are senile and cannot think very clearly. They really cannot go on working. Some, who though they can take upon themselves some of the work, cannot persevere in working for 8 hours, must retire to the second or the third line according to the relevant regulations. Old comrades in comparatively good health must remain in leading groups, carry on their role as mainstay and fulfill the historical task of selecting successors. [paragraph continues]

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We must point out here that we should not misinterpret the principle that every old comrade who can work must have a job as meaning that he must be appointed not as an adviser but as a leading member in the first line. The post of adviser is also glorious revolutionary work assigned by the Organization Department. It is an important post where an old comrade can carry on playing an important role. We will further perfect the system of the posts of advisers so that those comrades who have retired will be able to do something for the interests of the party within the limit of their capability.

In the past 1 year and more, various areas and departments have set up cadre administrative organs, in accordance with the central authorities' demands, and much work has been done by them. For instance old soldiers' associations have been set up, investigations have been made, writing of memoirs has been arranged, an appropriate amount of social beneficial activities has been organized and facilities have been provided to old comrades for their medical treatment and recuperation, use of cars, housing, and reading of documents. All these activities are well received by old comrades. But from an overall point of view our efforts in arranging and taking care of the life, study and activities of old comrades have fallen far short of demand. Therefore, they worry about their future with a fear that "cold tea will be served to them after they leave their posts." [It is the Chinese custom to serve a guest hot tea. If cold tea is served, it indicates great neglect] In addition to the state's gradual improvement of relevant regulations and to encouraging the fine practice of respecting old people in society, each of our units should follow the principles of politically showing them full respect and taking sufficient care of their life, act according to individual circumstances and do their best to find ways of solving this problem, including the necessary spending of moderate sums. Some departments intend to build residential areas and sanatoria for retired cadres in the vicinity of factories, mines and other industrial enterprises where conditions are favorable. This must be supported by the departments concerned. We should manage to make old comrades voluntarily retire to the second or third line. We should do active ideological work on certain comrades, to make them proceed from the interest of the party and the state, carry forward the fine tradition of our party and refrain from making unrealistic and excessive demands which will divorce themselves from the masses, and from forcing the organizations to do what can hardly be done.

In the leading groups, some cadres are essentially fairly good, but their educational level is low or they are less competent. Thus, they are unable to perform their duties satisfactorily at their present posts. Those who have prospects to improve themselves can be transferred to suitable jobs they can handle at a lower level, where they can learn to read and write and continue to temper and improve themselves. Those who have committed more errors and developed more shortcomings and of whom the masses disapprove should be given other suitable assignments or transferred back to their original posts by the organization departments. However, such cadres must be helped with deep sincerity to make progress. We must resolutely drive out of the leading groups the handful of people who have truly relied on the factional forces of Lin Biao and the "gang of four" to grow and thrive, people who adhere to their factional ideological system and people who have engaged in beating, smashing and looting. In carrying out work in this regard, we must act only after careful investigations and strictly draw clear lines of demarcation. We should by no means act crudely or carelessly, and carry out such work on a large scale.

In selecting and promoting middle-aged and young cadres, we must use surveys of the popular will and public opinion polls and other methods that are fairly simple and convenient and that the masses support. We must also use the three-in-one method of the masses commenting and recommending, the organization department conducting investigations and the leadership granting approval. We must not let a few people select such cadres with all doors closed, make decisions on the basis of comments by a certain individual, or make the whole procedure mysterious. Generally speaking, our organization and personnel departments understand cadres fairly well. Nevertheless, it is inevitable that they may act onesidedly. By following the mass line, we may discover competent people to a great extent. However, the masses often lack overall and deep understanding of the cadres' past and the entire situation. By relying on both of them, we will be able to select and promote cadres who will even better meet our requirements.

As long as party committees resolutely carry out the strategic policy of the Central Committee on selecting and training outstanding middle-aged and young cadres and keep on strengthening the leading groups in accordance with the three-in-one spirit, leading groups at all levels will make a step forward towards the aim of becoming younger, more educated and professionally more capable.

RENMIN RIBAO ON ECONOMIC, SOCIAL DEVELOPMENT

HK020159 Beijing RENMIN RIBAO in Chinese 22 Jun 81 p 5

[Article by Li Xuezheng [2621 1951 258]: "Opinions Expressed at Forum of Economic and Social Development Strategies"]

[Text] A series of abstract and concrete problems were raised at a forum on our strategies for economic and social development held in Beijing not long ago. Now we sum them up as follows:

1. Why is it Necessary To Study our Strategies for Economic and Social Development?

We have already set a general goal for development, which calls for reaching the level of "a comparatively wealthy society" by the end of the current century and then continuously advancing toward an increasingly higher degree of modernization. As far as the current readjustment is concerned, how should we link it with the goal for the end of the century and a still higher level of modernization? As far as long-term development is concerned, what road should we in fact follow, what steps should we take and what policies and measures should we adopt to achieve modernization? Our historical experience of 3 decades shows that we suffered 2 great setbacks in our economic development. What were their causes, as far as strategic policy decisions for the national economy were concerned? In terms of the reform of our economic management system, what kind of reform program should we in fact adopt to best stimulate the realization of our strategic goal for development? To answer these questions, we must make a penetrating study of our strategies for economic and social development.

2. How Should We Make a Penetrating Study of Our Strategies for Economic and Social Development?

Our country is a developing, powerful socialist country. What kind of strategy should we adopt for her development? This is a major theme that has never been raised before as a special topic. It is especially one that has never been thoroughly solved. We can only put the study of development strategy by getting hold of and systematically analyzing relevant data in various fields, by clearly, thoroughly and accurately finding out everything about our national conditions and national resources, by seriously summing up our experiences in development, by drawing on the experiences of other developing and developed countries and by making independent decisions based on foreign experts' suggestions. Concerning this problem, we can now only put forward some hints about study and some tentative suggestions.

First, what is our strategic goal for development? How should we be sure about this goal?

This involves many problems. For example, can we, based on the goal of socialist production, take the satisfaction of people's basic needs as the first objective in development? If this is right, then we must decide what are the people's basic needs and what is the standard for the people's "basic needs" in the specific conditions of our country today.

Also, is "satisfying the people's basic needs" the basic requirement for "a comparatively wealthy society?" What is the criterion for measuring "a comparatively wealthy society?" What are the pros and cons of setting our objective of struggle in terms of U.S. dollars as our average GNP per capita at the end of the century? In fact, where an international comparison is made concerning GNP, it often happens that while GNP is near a given level, there is a big difference in social economic life. This is because the GNP of various countries often differs in material components, structure and the relations of distribution.

Especially worthy of note is that with the growth of GNP taken as the focus of development strategy, a number of developing countries have made the historical mistake of overemphasizing industrialization to the neglect of the people's living standard and agricultural development. However, should we view and judge such a situation?

Some comrades suggested that regarding development strategy, our country should also switch over from the previously followed traditional strategic guideline to one that takes satisfying the people's basic needs as the primary goal. On the basis of an improved GNP, we should gradually satisfy the basic needs of 1 billion people, especially the 800 million peasants. Based on this general strategic guideline, we should put agricultural development and rural construction in an important strategic position--which is to be taken as the primary factor in pushing this strategy.

Some other comrades suggested that when setting the strategic goal for development, we should carry out studies to solve problems in the following two respects. First, we must rectify and supplement the GNP, because it does not take into account family labor from the masses of urban and rural women nor spare time for leisure which is extremely important to people's existence and development. It also fails to take into consideration factors causing environmental pollution and an ecological imbalance. These factors have a great impact on mankind's material life and its future development. It especially fails to consider people's educational standard, nourishment, life-span and so forth--factors of great significance in developing new-type socialist people. Then what is the goal for rectifying and supplementing the GNP? It seems that it is highly necessary to study how to define a goal or a system that takes the above various factors into consideration. This is much better than just taking the GNP as the strategic goal. Second, we must directly set goal for the people's living standard--a goal that takes into consideration health and longevity, material enjoyment, an improved cultural standard, self-development, a cheerful spiritual life and so forth. In this respect, a system or goal should also be introduced.

Some comrades also pointed out that apart from being determined by national income, a country's social economic life also depends on the industrial and consumption component of its structure and also on other conditions of production and consumption. In studying a development strategy, we must therefore put forward needs as a component and also an industrial component and a consumption component that should be introduced on this basis. We must also investigate and study our traditional ways of living, consumption patterns and so forth.

Some comrades further pointed out that apart from being determined by economic and cultural levels, the living standard of the people in a country is closely linked with the social system, the production and distribution of wealth and so forth. It seems that in setting our goals for development, we must also take economic reform into consideration.

Second, how should we set our strategy for development on the basis of "finding out everything clearly and accurately" about our national conditions?

What is national condition composed of? Some comrades pointed out that apart from natural environment, national resources, population, labor, the conditions of economic and cultural development and other various social relations, social contradictions and so forth, we should also include historical heritage and traditions. We must not only look for various potentialities of development but also analyze various limiting factors for tapping these potentialities. Old China was very backward economically and culturally. Given 30 years of socialist construction after liberation, things have changed greatly. But for various reasons, our country has still not changed its backward state. It shows serious irrationality in economic structure, industrial structure, ecological balance and so forth. Also, our country has its own special features in regard to geographical conditions, utilization of natural resources, land reclamation, density of population, distribution and utilization of intellectual forces, historical traditions of national culture and so forth--features that are likely to mark our development strategy with a stamp of its own.

Our lessons and experiences in economic and social development since liberation are also important components of our national condition. From the standpoint of development strategy, we must analyze and seriously study the strong and weak points of the actual development strategy followed in the past.

This is especially an indispensable part of fundamental work in studying the future development strategy for our country.

Third, in studying our development strategy, how should we link the current economic readjustment with future development?

Some comrades held that a readjustment may be considered the first major step in our economic development strategy. During the period of readjustment, as a stage in our economic and social development, the goals and steps connected with readjustment and the basic policies adopted should constitute the most realistic issue in studying the development strategy. In studying development strategy, we should make a scientific forecast of basic conditions likely to appear in our future economic development after the implementation of a readjustment policy. This is to provide a necessary basis for formulating strategy for the period of readjustment. Meanwhile, to link the current readjustment with future development, we must divide the process of our modernization into several stages. Some comrades suggested that after the completion of the readjustment at the end of the century, we must achieve initial modernization. Fifty years later, we must achieve fundamental modernization. After a still longer period of time, we must achieve complete modernization. This not only facilitates arranging modernization plans in separate stages but also enables everyone to have short-term, medium-term and long-term objectives of struggle in mind.

### 3. What Are the Experiences and Lessons Worth Noting for Those Third World Countries in Choosing Development Strategies?

Some comrades pointed out that since World War II, in order to accomplish the historical task of economic independence and modernization, a number of developing countries have for 30 or more years successively chosen various development strategies. Some of them have been successful in their experiences. But most of them have failed, providing lessons to be learned.

After achieving political independence, developing countries of one category "nationalized" private capital, imposed "cooperation" on small peasants, introduced a centralized planned economy system in economic management, implemented the guideline of "giving priority to heavy industry" in regard to the pace and order of development and followed a policy of high accumulation and low consumption in regard to the distribution and utilization of national income. Generally speaking, those countries that follow such a development strategy show quite marked development in industry and especially heavy industry. But agriculture and light industry have long been in a backward state. Economic results are poor and the people's living standard is marked by a very slow improvement. Since the 1960's, these countries have enthusiastically readjusted their policies and switched the focus of development from heavy industry to agriculture and light industry, paying attention to solving the people's problems such as food, clothing, shelter, daily necessities and transportation. Now these countries are exploring a correct strategy to match speedy development of social production with quick improvement in the people's living standards.

Developing countries of another category have chiefly taken private economy as the basis and relied on the market as a regulating factor, following an open-door policy. Based on personal experiences and mindful of the advantages and disadvantages, they have successively adopted a strategy of developing the export of primary products, a strategy of stimulating imports as substitutes for industries, a strategy of developing industries for processing export products and so forth. These development strategies have focused on the speedy growth of GNP and the goal of catching up with developed countries as the objective of struggle. But the results of practice show that the great majority of countries in this category have not accomplished the task of "catching up." On the contrary, the gap has widened. In view of the failure of these development strategies one by one, people in the past few years have suggested that in formulating and carrying out development strategy, we should not only take economic problems into consideration but also pay attention to social problems and put the stress on satisfying the basic needs of the great majority of people and the healthy growth of society. Some Western economists have called this idea "a new development strategy," as opposed to the above-mentioned "traditional development strategy."

ANHUI'S ZHANG JINGFU, OTHERS ON FISH PRODUCTION

OWO62158 Hefei Anhui Provincial Service in Mandarin 1100 GMT 6 Jul 81

[Excerpts] Since the beginning of last year, responsible comrades of the Anhui Provincial CCP Committee and people's government have on many occasions made investigations at lakes, reservoirs and rural communes and production brigades throughout the province. They also discussed with the workers on the fishery front on how to develop fish production. Not long ago, responsible comrades Zhang Jingfu, Gu Zhuoxin, Zhou Zijian, Wang Guangyu and others called meetings on three occasions successively to listen to reports on the current fish production situation in our province. They summed up experience on the basis of the current fish production situation and warmly discussed how to boost Anhui's fish production as soon as possible.

Last year, Anhui had a total fish catch of 145 million jin, 30 percent over that in 1979--a good situation seldom seen in the past 10 years. However, fish production developed rather slowly and the problem of the people's difficulty in getting fish to eat was far from solved.

The meeting held that Anhui has ample water resources which is a very good condition for developing fish production and that so long as we firmly implement the line, principles and policies laid down since the third plenary session of the party, we will certainly expand the fish production within 2 or 3 years.

JIANGSU ELECTS BISHOPS FOR SUZHOU, NANJING

OWO41700 Beijing XINHUA in English 1623 GMT 4 Jul 81

[Text] Beijing, 4 Jul (XINHUA)--A statement of support for Bishop Michael Yang Gaojian, leader of China's Catholic Church, protesting the appointment by the Vatican of Deng Yiming as archbishop of Guangdong Province was approved at a meeting of the Standing Committee of the Jiangsu Provincial Patriotic Catholic Association and the Jiangsu branch of the National Administrative Commission of the Catholic Church today.

The meeting elected Qian Huimin and Ma Longlin as bishops of Suzhou and Nanjing dioceses to fill the vacancies left by their deceased predecessors. The meeting also supported the decision of the Guangzhou Patriotic Catholic Association and the Guangzhou dioceses to remove Deng Yiming as bishop of the diocese and vice chairman of the association.

NORTH CHINA SEA FLEET REVIEWED IN QINGDAO

SKO40614 Jinan Shandong Provincial Service in Mandarin 2300 GMT 3 Jul 81

[Text] On the morning of 3 July the North China Sea Fleet under the PLA Navy ceremoniously held a military review and parade at the (Weichen) stadium in Qingdao Municipality with the participation of over 3,000 commanders and fighters. Attending the review were navy leading comrades, including Kang Zhiqiang, deputy political commissar of the PLA Navy; (Yang Li), deputy commander of the North China Sea Fleet; and (Du Xishu), deputy political commissar of the fleet. Also present were leading comrades from the Qingdao Municipal CCP Committee, the Standing Committee of the municipal People's Congress, the municipal people's government and the municipal CPPCC Committee, including (Li Zhiwen), (Li Bingzheng) and (Liu Weili), as well as representatives from various social circles.

At 0800, the military review began. Leading officers of the North China Sea Fleet, accompanied by responsible persons from the Qingdao Municipal CCP Committee and the people's government, reviewed the navy commanders and fighters, who were neatly divided into 34 square formations. Following the review, Deputy Commander (Yang Li) made a speech. Participating troops dressed in white and blue then paraded. Under the banner of the "1 August" army flag, they valiantly marched by the reviewing stand while the PLA march was played. Their youthful spirit and precise marching showed the navy's excellent military training and discipline and expressed the navy's fighting spirit whereby officers and soldiers unite as one and march in step.

SHANGHAI'S JIEFANG RIBAO ON 'PRAISE', 'EXPOSURE'

HK020111 Shanghai JIEFANG RIBAO in Chinese 18 Jun 81 p 3

[Article by Xu Junxi [1776 0193 6007]: "Some Words on 'Praise' and 'Exposure'"]

[Text] Quite a number of articles on how to treat "praise" and "exposure" in literature and art works have been published. Here, I sum up my recent studies on the same topic and would like to discuss some of my views.

In his "talk at the forum on script writing," when discussing how literature and art works should tackle the dark side of our society, Comrade Hu Yaobang said: "We should say there are two ways: The first way is to see that the bright side of life is the dominating factor, as far as the whole country and the whole of society are concerned. Of course, the dark side of things might predominate if we merely consider a certain particular individual, a certain unit or a particular isolated aspect. The second way: The dark side of things is, after all, transitory and unlawful. Hence, there are the transitory and unlawful natures, and they will eventually be abandoned and overcome by our party and people." I am sure nobody will disagree if we take these two ways as our guiding ideology when we discuss "praise" and "exposure" in literature and art creation during the socialist period. However, there are differences of view when we come to appraisals of specific works.

## On "Giving Priority to the Bright Side of Things"

How to manifest "giving priority to the bright side of things" is a controversial topic when appraising literature and art works which focus on exposing abuses in current real social life. Very often, some comrades fail to give priority to the bright side of things in a specific piece of work, and so-called "positive factors fail to check negative factors." People criticize works as not conforming to "typical circumstances" and "typical characters" and as distorting the nature and the mainstream of life and so on. Therefore, unless this question is discussed and settled, we would not be able to achieve unanimity on how to correctly treat praise and exposure in literature and art works.

Frankly speaking, "in general," our social life today has "given priority to the bright side of things." Socialist literature and art as a manifestation of this type of social life "in general" should give priority to the bright side of things. This is not anybody's objective desire or demand; instead, it is determined by social life itself. As Maxim Gorkiy said: We must pay attention to ridding ourselves of criticizing realism by adopting an attitude of "exposing and negating the old tradition of reality" and fervently praise and affirm the socialist "new reality" and "new characters." Literature and art creations today must pay still more attention to portraying the pioneers of the four modernizations and all the positive and progressive deeds in life, and even literature and art works which aim at exposing the dark side of society must pay attention to portraying positive figures and displaying positive factors. Thus, the encouraging role of proletarian literature and art will be brought into full play. Examples can be found from works which were publicly acknowledged in recent years, such as "The First Day of Director Qiao in his Plant Office," "The Loyal Hearts," "The Future Is Calling," "Red Magnolias Under the Wall," "The Story of Criminal Li Tongzhong," and "Legend of Cloud Mountain." On the one hand, these works have profoundly exposed social contradictions and the dark side of life; on the other hand, they vividly and forcefully show "the dominating factor of the bright side of things" and the invincible vitality of uprightness.

However, the following situation does happen in literature and art creations: For example, based on his experiences and artistic aspirations, the writer might put emphasis on portraying the dark side of the real life of "a certain particular individual, unit or part" in a particular writing or work, instead of directly portraying giving priority to "the bright side of things" as the mainstream of life. How should we appraise such works?

As we all know, literature and art reflect the universal truth by means of individual cases. However, all individuals are but the specific manifestation of a certain part of the universal truth; they cannot manifest the "overall" situation. Because of this, a particular literature and art work or a specific figure can be the manifestation of the bright side, as well as the dark side, of social life. They represent different inclinations and characteristics of different personalities in different circumstances. If they are well presented, I believe they are, to a certain extent, representative and typical in nature. Therefore, I cannot agree to the viewpoint that every single work must be a "caricature" of the whole of social life, and that every typical character and circumstance has to be the general trend of a specific class or a specific time and the "plentipotentiary" of its nature and characteristic. If this is the case, we will inevitably draw the conclusion that "there is only one typical character for one class and one typical environment for one era." This obviously does not conform to the typical law of literature and art creation. Bilinski once said: Real life is so diversified, the author has every right to choose a specific part of life he likes to write about. Literature and art critics can only criticize "whether or not the author has done a correct and good job. There is no need for them to discuss why the author does this instead of that; or why the author does not write some other things at the same time." As a matter of fact, the time today is different in nature from that of Bilinski. However, since there are both bright and dark sides of things in people's lives, there are still some things in common, despite the fact that the dominant factors of the bright side and the dark side are different. Therefore, even though we are living in a socialist society today, our literature and art circles must acknowledge the few works of literature and art which portray "this specific" dark side of things and admit that there is another aspect of real life apart from giving priority to manifesting the bright side of things. Otherwise, literature and art works which aim at exposing the dark side of things will lose their foothold in the garden of socialist literature and art.

#### How To Do a Good Job in Manifesting "This Specific Point"

How can we tell whether or not we have done a good job in manifesting "this specific point" of literature and art works which put emphasis on showing the "dark side of things?" Regarding this question, as Hu Yaobang said, the key is that we have to point out the unlawful and transient nature of "this specific point."

First of all, we have to correctly point out the role played by "this specific point" and its effect in real life and the reason for its existence. Writers must adopt a materialistic point of view to observe and analyze the dark side of things in the context of socialist conditions; hence, they can draw a line to distinguish different times, and expose the natures and characteristics of matters and the internal connections so that the people will understand the inexorable trend that "the dark side of things will be cast off and overcome by our party and our people." For example: Works of literature and art that aim at exposing special privileges, unhealthy tendencies and the pernicious influence of feudalism and capitalism must, on the one hand, "genuinely describe the actual relations" to show people that the unhealthy tendencies and pernicious influence are poisonous bacteria that will harm the fate of the party and the state, and the people must try to diagnose them; on the other hand, we must tell everybody that these tendencies and influences are not products of our socialist society. Instead, they are calamities left over by the old society and the result of an imperfect socialism. Thus, this is an unlawful and transitory phenomenon. Concerning this aspect, the experience of the reportage "Between Man and Devil" can serve as our reference. By depicting the course of how Wang Shaoxin, the criminal grafter, rises to power and position from poverty and how he is eventually exposed and arrested on the one hand, the work bluntly exposes the malpractices and hideous phenomena in society in real life, and mercilessly criticizes and castigates the idea that prerogatives and privileges go with position as well as some other unhealthy tendencies; on the other hand, it profoundly exposes the special historical background and social origin of these phenomena. At the same time, by means of contrast, people can see that these tendencies and influences are but an "abnormality" born when the party's leadership and socialist legal system were seriously damaged and trampled on; it is definitely not a normal baby born under socialist system.

In this case, even though writers use heavy strokes to depict the dark side of things, the people will believe that these phenomena will be overcome and corrected as the party's leadership improves and as socialist democracy and the legal system are perfected. Contrary to this, when exposing the negative phenomena of social life some works very often lack the attitude of historicism, profound understanding and comprehension of reality. Some of them might just consider a case as it stands, and therefore people do not understand the reason for the existence and the trend of development of these phenomena. Some of them might regard the partial as the overall situation, and deliberately or unconsciously exaggerate their role in society and their lawful status so that people would mistake them as the chronic illness of socialism itself. This is what we should warn ourselves against.

Second, we must be good at using the weapons of criticism to show the strength of truth and uprightness, so as to instigate the people's enthusiasm to turn to good and to encourage them to struggle. Practice in literature and art creation has shown that while making criticisms and exposures, the ideological tendencies manifested in literary works will be entirely different if the writers' attitudes toward life and their social aspirations are different. Proletarian writers are revolutionaries who possess the firmest revolutionary conviction and the most lofty social aspirations. As for proletarian literature, be it praise or exposure, on the basis of "maintaining a higher standpoint than reality," it must not be divorced from reality. Writers must try to illuminate life with the "light of aspiration" in their hearts, instead of "throwing a heap of disordered snapshots of misfortunes of life at the people" (Gorkiy) to dishearten the people. Regarding this aspect, even literature and art works that focus on the dark side of life can give people different impressions. The novels "Thirty Million" and "The Transfer" can influence people in a very different way. While exposing and criticizing, the former in every way radiates aspiration and the strength of uprightness. For example: When Ding Meng confronts section chief Tan, he refuses to adopt the tactic of using "fraud" to defy fraud which others instigate him to; instead, he adopts the fine tradition and revolutionary sentiment of being frank, honest and positive to defy the graft and fraud practiced by section chief Tan. In this way, the moral power and the encouraging effect of these criticisms are strengthened. As for the latter work, on the contrary, it cannot show any positive aspiration and desire for a better future. Li Qiaolin, the protagonist, who tries in every way to achieve the purpose of his personal "transfer" is, in fact, using one evil act against another evil act. Such literature and art works are actually a display of evil; they definitely cannot fulfill the aesthetic requirement of "affirming the purpose of beauty by negating evil."

In doing a good job in displaying "this specific point," writers have to pay attention to their methods of writing and put emphasis on the effects produced. Comrade Zhou Yang pointed out in his article "Emancipating the Mind, To Genuinely Reflect Our Times": "We do not conceal the dark side of things in our society, neither do we conceal the shortcomings and mistakes in our work; we must mercilessly expose and castigate them; however, we must pay attention to the methods we adopt and the occasions we use to launch our criticisms. We must not rashly give the people's enemies a handle to slander us." Literature and art works which put emphasis on exposing the dark side of things must pay attention to distinguishing the nature of the contradictions and adopt a correct attitude. Regarding this aspect, "On Arriving at Middle Age" has done a relatively good job; therefore, it has positive social effect. At the same time, when exposing and manifesting some questions, these works must consider the specific condition and occasion and pay attention to the actual social effect. For example, the plot in "The Story of Criminal Li Tongzhong" describes how people "violate the state law" and "borrow grain" from the state granary. If the event does not happen now and if we set it in the specific "occasion" of the 3 year difficult period, then, I am afraid we have to reconsider its social effects.

In short, praise and exposure in literature and art creation is one of the important questions in current discussions on literature and art theories. The key to it lies in how to describe "this specific point," rather than whether or not we should put emphasis on describing "this specific point" of the dark side of things. In this regard, the standpoint, attitude and method adopted by writers play a very important role.

#### JIEFANG RIBAO CALLS FOR PUNISHING CRIMINALS

HK020524 Shanghai JIEFANG RIBAO in Chinese 16 Jun 81 p 1

[Editorial: "Severely and Swiftly Punish Major Criminals"]

[Text] A mass rally was held yesterday in Pudo District to pronounce the death sentence on murderer and rober Wu Xinle. Mass rallies help to promote a healthy atmosphere and eradicate the evil influence of criminals, and are supported by the masses.

The number of criminal offenses committed in the municipality since the beginning of spring has continued to rise. Some of these offenses have been very serious and are the handiwork of major criminals. Although these criminals are few in number, they are very harmful and they have seriously affected social order and the order for production and work, seriously damaging the construction of the four modernizations and the lives and property of the people. The broad masses of people bitterly hate the heinous crimes committed by these criminals and they have strongly demanded the strengthening of social security and the prompt, resolute and forceful crackdown of these sabotage activities so as to eliminate the criminals' arrogance and to defend social order.

At present, a major task in improving public security is the resolute, severe and swift hitting at these criminals who have seriously damaged social order by murdering, raping, robbing, committing arson and setting off explosions. In particular, severe penalties must be imposed on abettors, ringleaders and repeat offenders. We can in no way treat them softheartedly. These criminals are cruel and they have committed towering crimes, arousing the indignation of the people. If we do not punish these criminals severely and swiftly and, instead, we allow them to run wild and treat them leniently, this complacent attitude will result in greater harm to the people and will not be in the interest of the state and the socialist cause.

By severe we mean we must base ourselves on the facts, follow the legal procedure and impose severe penalties within the range of punishment as stated in the law.

For example, Article 132 of the "The Criminal Law of the People's Republic of China" states: "Anyone who commits voluntary homicide will be sentenced to death, life imprisonment or imprisonment for not less than 10 years. In minor cases, the offender will be sentenced to imprisonment for not less than 3 years and no more than 10 years." Those who commit voluntary homicide must be severely punished according to the procedure stated in the "criminal law." While punishing major criminals we must also pay attention to abettors and ringleaders. Heavier penalties must be imposed on repeat offenders or escapees. Their urban residence cards must be canceled and they must be sent to undergo reform through labor in places where it will be difficult for them to commit crimes so as to remove the likelihood of their continuing to commit crimes.

By swift punishment, we mean that measures must be taken to investigate the basic facts of major crimes in order to crack criminal cases, prosecute, punish and impose penalties as quickly as possible. With regard to typical crimes, mass rallies must be held to make a show of strength and support and expand the healthy atmosphere. This move is in the interest of cracking down on criminals and protecting the people's interest.

Severe and swift penalties must be meted out to major criminals systematically in accordance with the law. Severe punishment must be exercised against the few major criminals who have committed serious crimes such as murder, arson, setting off explosions, robbery, rape and others that damage social order. When severe and swift penalties are exercised resolutely and in due time, this acts to prevent others from committing offenses and it helps create conditions for the meting out of lighter penalties for the majority of criminals, expanding the target of education and narrowing the target of attack, punishing, educating and saving a number of people, curbing or decreasing criminal activities and promoting social order so that bad elements are fearful and the broad masses of people are protected.

Severe and swift penalties must be carried out within the range of the "criminal law" and not arbitrarily. The Standing Committee of the National People's Congress recently adopted a resolution on how to handle labor reform and labor reeducation criminals who escape or commit new crimes. The resolution states that heavier penalties must be imposed on criminals who are repeat offenders and criminals who have undergone reform through reeducation, but later commit murder. This resolution is a supplement to the "criminal law" and it is very important. Severe and heavier penalties must be imposed according to state law. These penalties are severe and they are imposed from the point of view of protecting the interest of the majority of the people.

Political and legal departments have a bounden duty to severely and swiftly punish major criminals. They must fully display their role in upholding the dictatorship so that they will be able to eliminate the dregs and protect the interest of the people. It is imperative to go deep into reality and investigate and study the new situation and the problems of public security, social order and the social atmosphere, grasp the regularity of criminal activities and resolutely carry out powerful measures to crack-down on criminals that have seriously damaged social order and intentionally committed serious crimes.

In order to fundamentally improve public security we must depend on the whole party. We can in no way simply assume that we will live in peaceful conditions just by imposing severe penalties on several major criminals. To protect public security and create stable and civilized social order is not the concern of the political and legal departments alone. The problems of public security stem from various factors. These problems are "comprehensive diseases" that have to be "comprehensively cured" through the efforts of the whole party and the whole of society. Party committees at various levels must step up their leadership, fully mobilize the masses and create an atmosphere in which the whole of society will be imbued with legal and moral power and public opinion to deter bad elements. Neighborhood committees must be set up and perfected and coupled with security committees. The party and government leadership in various factories, enterprises, government organs, schools and street and lane organizations as well as workers, youth and womens organizations must carry out widespread education on socialist laws, carry out political and ideological work in a deepgoing way so as to create a good environment and social atmosphere in which everybody abides by the law. Various departments of the ideological sector must pay attention to improving social order and the atmosphere. Families, schools and all other sectors in society must step up work in educating, persuading and reforming juvenile delinquents. All organizations at various levels and the broad masses of people must actively support public security organs, procuratorial organs and courts in investigating and cracking criminal cases. On the other hand, public security organs, procuratorial organs and courts must take the initiative in contacting and guiding the security departments of various units. To accord with "five stresses" and "four beauties," good people from among the masses and from public security and legal departments and their good deeds in fighting against crime must be commended in a big way so as to encourage people to be active in the fight against crime and in promoting the eradication of the dregs. Only by so doing will we be able to crackdown on criminals and will the public security of Shanghai take on a new look to the satisfaction and well-being of the masses of people.

SHANGHAI STATION COMMENTARY ON SERVING THE PEOPLE

OWO30835 Shanghai City Service in Mandarin 1130 GMT 2 Jul 81

[Station commentary: "Persist In Serving the People Wholeheartedly"]

[Text] The 60th birthday of the great Chinese Communist Party is here. In the past 60 years our party has struggled heroically and tenaciously for national liberation and the well-being of the people. This historical fact shows that the Chinese Communist Party is a party which wholeheartedly serves the people. To wholeheartedly serve the people has been our party's consistent stand and is determined by our party's character. It is also the most fundamental aspect of Mao Zedong Thought. For 60 years our party has won victories, one after another by relying on the spirit of wholeheartedly serving the people.

During the 10 years of turmoil Lin Biao, Jiang Qing and their ilk trampled on party style. As a result, some people's sense of wholeheartedly serving the people became blunted. These comrades must review and study this fundamental principle of our party. Since our party is now at the helm of the state, every party member and party cadre must consciously and at all times persist in the spirit of wholeheartedly serving the people. To serve the people, we must, above all, devote ourselves to the people's interests and persistently place the people's interests above all else.

Since the fall of the gang of four and the 3d Plenary Session of the 11th CCP Central Committee in particular, we have been happy to see numerous fine party and CYL members, party and government cadres and model workers and advanced personages on all fronts, who have a sense of being the master of their own affairs, develop the revolutionary spirit of selflessness, taking the whole situation into account, arduous struggle and being honest in performing their official duties. They have made new contributions to the party cause. This is an outstanding display of wholeheartedly serving the people.

Now the 6th Plenary Session of the 11th CCP Central Committee has issued a call for building our country into a modern, highly democratic and civilized socialist power. To achieve this goal, every party member and cadre among us must develop the spirit of wholeheartedly serving the people, unite with the masses and work hard together.

JIEFANG RIBAO CARRIES 1980 SHANGHAI STATISTICS

HKO21240 Shanghai JIEFANG RIBAO in Chinese 22 Jun p 2

[Report by the Shanghai Municipal Statistics Bureau issued on 21 June, 1981: "Shanghai Municipal Statistics Bureau Report on Development of Shanghai's National Economy in 1980"]

[Text] Under the leadership of the CCP Central Committee, the State Council, the Shanghai municipal party committee and government, the people of Shanghai conscientiously carried out the line, principles and policies worked out by the 3d Plenary Session of the 11th CCP Central Committee and ensured the steady advance of the Shanghai national economy amid economic readjustment through energetic efforts in 1980. Shanghai's total industrial and agricultural output value, reckoned at the fixed prices in 1970, was 65.1 billion yuan, 6.1 percent higher than the previous year. The preliminary figure for the national income was 28.3 billion yuan, 7 percent higher than the previous year, calculated according to comparable prices in that year. The livelihood of the people continued to improve on the basis of increased production.

Development of the various departments of the Shanghai national economy was as follows:

## 1. Industry

In 1980, there was a steady increase in industrial production during the economic readjustment. The total value of industrial and agricultural production for the municipality, reckoned at the fixed prices in 1970, was 62.6 billion yuan, 6.1 percent higher than the previous year.

Targets were reached or surpassed for the output of 71 of the 85 products delegated to Shanghai in the state plan including steel, chemical fertilizer, cement, bicycles, sewing machines, wristwatches, television sets, radios, cotton yarn and chemical fibers. Targets for tractors, electricity and 12 other products were not fulfilled. Compared with the previous year, production of 62 products increased whereas that of 23 products decreased.

The growth of the output of major industrial products was as follows:

	1980	percentage increase over previous year
steel	5.216 million tons	5.6
rolled steel	4.126 million tons	3.8
electricity	20.64 billion kWh	0.5
coke (machine-made)	2.258 million tons	9.4
cement	1.867 million tons	2.9
plate glass	1.658 million standard panes	24.6
sulphuric acid	388,000 tons	6.7
caustic soda	240,000 tons	3.3
chemical fertilizer for agricultural use (100 percent)	164,000 tons	3.4
chemical insecticides	24,000 tons	-5.5
ethylene	136,000 tons	0.1
plastics	146,000 tons	3.6
chemical pharmaceuticals	6,182 tons	-6.1
calcium carbide	74,700 tons	8.6
synthetic rubber	13,000 tons	5.6
rubber tires	1.749 million	1.3
motor vehicles	14,675	36.1
machine tools	16,949	8.5
mining equipment	20,900 tons	-23.3
power generating equipment	582,000 kw	-53.4
tractors	14,377	-2.9
internal combustion engines (sold as commodities)	4.155 million hp	17.6
steel ships for civilian use	172,600 tons	10.9
tubes of which:	9.639 million	24.0
kinescopes	265,000	4.5
television sets	152,000	46.3
tube radios	354,000	14.4
transistor radios	3.794 million	30.2
cameras	207,000	32.0
chemical fibers of which:	152,000 tons	11.6
synthetic fibers	123,000 tons	12.6
cotton yarn	382,000 tons	6.7
cotton cloth	1.62 billion meters	5.5
woollens	30.42 million meters	5.0
silk textiles	109.95 million meters	8.6
knitting wool	13,345 tons	18.5
cigarettes	823,000 cases	-2.8
detergents	67,000 tons	5.0
bicycles	3.761 million	10.0
sewing machines	2.265 million	6.1
wristwatches	8.164 million	16.8
light bulbs	130 million	-3.1
machine-made paper and paperboards	296,000 tons	3.5

Certain results were achieved in industrial production amid readjustment of the industrial structure and product mix according to the needs of the market in 1980. Output value of the light and textile industries amounted to 32.9 billion yuan, 11.9 percent more than the previous year, and that of heavy industry was 29.7 billion yuan, 0.3 percent higher than 1979. The proportion of the output value of the light and textile industries of the total municipal industrial output value increased from 49.9 percent in 1979 to 52.6 percent in 1980, and that of heavy industry decreased from 50.1 to 47.4 percent respectively for the same period.

The continued reform of the economic management system in 1980 promoted the readjustment of the economy. In the whole municipality, 1,242 industrial enterprises expanded their administrative and management autonomy and 42 industrial enterprises practiced "paying taxes to the state, independent business accounting and responsibility for their own profits and losses" on a trial-point basis, and the systems of profitsharing and of taking complete responsibility for one's own finances were practiced separately by the state-run commercial, material and building departments as well as the state farms.

At the same time, under the guidance of state planning, attention was paid to the role of regulation by market mechanism. More than 500 industrial sales, managerial and service departments were set up all over the municipality and combined with the readjustment of the economic structure, 300 diversified economic complexes were run on a trial basis, and various economic sectors were also developed such as the collective undertakings in small towns and cities and the individual economy. All these reforms have played a positive role in developing production and enlivening the economy.

In 1980, the turnover period of the fixed circulation funds of the industrial enterprises under the system of ownership by the whole people with independent business accounting was shortened from 71.4 days in 1979 to 66.5 days. The profit yielded by every 100 yuan of funds, calculated according to the comparable prices, increased by 2.9 percent over the previous year. Of the indices for quality of the 117 products checked by the municipality, 114 reached or surpassed the planned levels, constituting 97.4 percent. Of 293 products which won awards throughout the country, 35 products from Shanghai were awarded, among which 7 got gold medals and 31 got silver medals. Due to the readjustment of the industrial structure, the implementation of energy saving measures and the sustained growth of industrial production, the total amount of energy consumption of the municipality did not increase. Affected by factors such as higher prices for some raw materials, the comparable costs of products registered a 0.6 percent increase over that of 1979. Owing to the fairly large increase in staff and workers, labor productivity per capita decreased by 1.4 percent compared with that of last year. A considerable number of materials were overstocked. By the end of 1980, the amount of rolled steel in stock (excluding the products in stock) increased by 9 percent over the first half of this year, and that of the local machinery and power equipment (excluding the products in stock) increased by 3.4 percent.

## 2. Agriculture

The total value of agricultural output in 1980, calculated at the fixed prices in 1970, was 2.47 billion yuan, 5.3 percent more than in 1979, of which the output value of the planting industry decreased by 15.4 percent due to natural disasters, and that of grain, cotton, edible oil and vegetables decreased by a comparatively big margin, failing to fulfill the targets. Of the sideline production, the output value of industries run by the production brigades increased by 37.8 percent.

The output of some major farm products was as follows:

	1980	percentage increase over previous year
grain (including that run individually by commune members)	1.869 million tons	-28.6
cotton (including that run individually by commune members)	76,000 tons	-16.8
rapeseed (including that run individually by commune members)	96,000 tons	-24.4
vegetables	1.125 million tons	-17.0
pigs (at yearend)	2.609 million	-23.8
pigs (being raised)	6.116 million	-19.5
pork output	168,000 tons	-14.9
aquatic products of which:	205,000 tons	-4.0
freshwater products	19,000 tons	1.3

In 1980, the outskirts of Shanghai had 7,319 large and medium-sized tractors, or 306,900 horsepower, an increase of 318 tractors and 16,000 horsepower over 1979; 31,569 hand-held tractors, 285 more than in 1979; and power-driven drainage and irrigation equipment for rural use totalling 46,437 machines or 355,300 horsepower, 2,195 machines and 1,200 horsepower less than in 1979. The people's communes in the outskirts had 4,879 motor vehicles for transport, 1,111 more than in 1979. The annual amount of farmland plowed by tractors accounted for 88 percent of all farmland; the farmland under power-driven drainage and irrigation constituted 98.6 percent of all farmland. A total of 171,000 tons of chemical fertilizer was applied that year (in terms of 100 percent efficiency), averaging 519 kilograms per hectare. Total electricity used in the rural areas came to 1.223 billion kWh, 13 percent more than in the previous year.

Due to the effect of natural disasters and the use of some vegetable-growing land for other purposes, the reduced supply of vegetables on the market on this occasion inconvenienced the livelihood of the people in 1980. The reduction in grain output had a certain impact on the 1981 collective fodder, reserve grain and pig-raising. In some production brigades and production teams, there was a tendency to attach great importance to industry to the neglect of agriculture and to farm management.

### 3. Capital Construction

Units under the system of ownership by the whole people all over the municipality had an additional 1.15 billion yuan worth of fixed assets through capital construction in 1980, 16.6 percent less than in 1979. Total floor space of housing completed (including workshops and residences) was 3.693 million square meters, an increase of 7.9 percent over 1979.

Two hundred and thirty-four projects were completed and put into operation in 1980, of which 3 were big or medium-sized; 163 projects were partially completed and put into operation, of which 4 were big or medium-sized. The added production capacity from these projects consisted mainly of power for production--a power-generating capacity of 130,000 kilowatts; 98 kilometers of high-tension transmission lines; 183,000 kilovolt-amperes of transformer equipment; 261,000 tons of cement; 130 million standard bricks; 100,000 16" black-and-white kinescope tubes; 80,000 cubic meters of gas per day; 270,000 tons of water per day; 2,020 meters of newly expanded port jetties with 1.9 million tons of cargo handling capacity; 187,000 square meters of newly expanded school buildings with 50,900 seats and 37,000 square meters of newly enlarged hospital buildings with 3,067 beds.

Total investment in capital construction by units under the system of ownership by the whole people throughout the municipality in 1980 was 2.57 billion yuan, an increase of 21.8 percent over the previous year, of which the investment in the Baoshan steel and iron general plant and the Shanghai petrochemical industrial general plant was 1.59 billion yuan, a 70.4 percent increase over 1979, and that of the other projects was 980 million yuan, a decrease of 16.5 percent compared with 1970. However, the rate of availability of fixed assets was comparatively low and the investment results left much to be desired.

The total investment of various other projects each involving investment of 50,000 yuan or more came to 1.13 billion yuan, with added fixed assets of 700 million yuan.

The investment orientation of capital construction was further readjusted and the serious disproportion between the "bones" and the "flesh" continued to be improved in 1980. Three hundred and thirty-nine capital construction projects all over the municipality were stopped and suspended in 1980, of which 38 were big or medium-sized. Of the total investment in capital construction, the cost of investment in nonproductive amenities such as housing, urban public facilities, culture, education and hygiene which are closely related to the livelihood of the people was 520 million yuan, a 32.9 percent increase over 1979, its proportion to the total investment rising from 16.8 percent in 1979 to 20.3 percent in 1980 (after excluding the Baoshan steel and iron general plant projects which rose from 25 percent in 1979 to 40.4 percent in 1980). Of the investment in nonproductive construction, the proportion went up from 10.6 percent in 1979 to 12.4 percent. Of the investment in productive construction, the investment in light industry increased by 120 percent, its proportion to the total industrial investment rising from 3.8 percent in 1979 to 6.1 percent.

Under the unified guidance and arrangements of the municipality the principle of the combination of state unified construction and construction by individual units was practiced in housing construction and a total floor space of 3.043 million square meters was completed in 1980, an increase of 40.9 percent over 1979, a year in which the most floor space was completed; of this, 1.447 million square meters was completed by the state, a 29.3 percent increase over 1979 whereas 1.596 million square meters was completed by individual units, a rise of 53.4 percent.

The length of running water and gas pipelines in 1980 increased by 3.9 and 4.4 percent respectively over 1979; that of public transport routes came to 5,213 kilometers, an increase of 29 percent over the previous year. A total of 303 public vehicles was added to the public transport department, an 8.9 percent increase over 1979.

In accordance with the "rules on environmental protection" promulgated by the state, prevention and cure of the "three wastes" [waste water, waste gas and industrial residue] comprising industrial pollution was stressed continuously in 1980. According to the preliminary statistics, 2,290 projects concerning pollution in need of control were arranged, of which 1,667 were completed in that year, with an added capacity of 155,000 tons per day in handling wastewater; an added capacity of 3,208 million cubic meters per hour in handling waste gas (including flue gas and industrial dust) and an added capacity of 575,000 tons per year in handling industrial residue. The sources of heavy metals such as mercury and cadmium endangering human life in the waste water all over the municipality were initially brought under control. Nearly 60 percent of the chimneys all over the municipality were brought under control and the industrial dust in the city proper was somewhat reduced.

#### 4. Transport, Posts and Telecommunications

In 1980 the volume of freight carried by all means of transport continued to increase. The volume of railway freight was 8.71 billion ton-kilometers, a 3.5 percent increase over 1979. The volume of waterway cargo transport (including ocean shipping, and water transport on the Chang Jiang and other inland waterways) was 139.17 billion ton-kilometers, a 7.2 percent increase.

The volume of road freight transport of the local transport department was 798 million ton-kilometers, an increase of 3.9 percent. The volume of cargo handled at sea ports was 84.83 million tons, 1.6 percent more than the previous year.

Passenger transport increased by a great margin in 1980. The volume of passenger transport delivery by Shanghai's various railway stations was 16.92 million passenger-journeys [ren ci 0086 2945], an increase of 15.1 percent over 1979; that by the port of Shanghai was 4.46 million passenger-journeys, a 10.9 percent increase over the previous year.

The volume of passenger transport by urban public transport was 3.41 billion passenger-journeys, an increase of 13.6 percent over 1979, averaging 9.315 million passenger-journeys per day.

Posts and telecommunications transactions for the whole municipality amounted to 64.66 million yuan in 1980, 11.9 percent more than in 1979. Of this, there was a 7 percent increase in letters, a 35.3 percent increase in the circulation of newspapers and magazines, a 9.6 percent increase in telegrams, a 13.6 percent increase in long-distance calls and a 5.8 percent increase in local calls.

The insufficient handling capacity of the port and railway stations caused delay of transport by boat and by rail, and the slow development of posts and telecommunications as well as telegrams cannot meet the growing needs of national economic development.

#### 5. Trade

The market was livelier in 1980 with steady increases in purchasing and sales. The total value of commodities purchased by the state-run commercial departments all over the municipality reached 15.55 billion yuan, surpassing the figure for 1979 by 6.7 percent. This included 14.36 billion yuan worth of manufactured goods, an increase of 8.1 percent; and 1.19 billion yuan worth of farm produce and sideline products, a decrease of 8.1 percent. The total value of commodities imported from other provinces and localities came to 3.83 billion yuan, topping the figure for the previous year by 1.2 percent, of which the total value of farm produce and sideline products was 1.34 billion yuan, a 16.2 percent decrease.

The total retail volume of social commodities reached 8.7 billion yuan (excluding 120 million yuan of transactions in the rural markets), an increase of 15.7 percent, of which the amount of consumer goods sold to the people in cities and towns surpassed the figure for 1979 by 18.1 percent. According to their uses, they were: a 2.3 percent increase in food, 22.9 percent increase in clothing and 19.5 percent increase in necessities.

The retail sales of main consumer goods of the municipality increased in varying degrees compared with those in 1979. Among them, the sale of edible oil went up 8.7 percent, pork 7.6 percent, fresh eggs 18.3 percent, wine 13.2 percent, woollen textiles 31.3 percent, silk fabrics 23 percent, chemical fiber cloth 8 percent, woollen dresses 21.8 percent, knitting wool 13.7 percent, felts 34.9 percent, leather shoes 9.9 percent, television sets 55.5 percent, cassette recorders 100 percent, desk-mounted electric fans 130 percent, cameras 55.4 percent, bicycles, sewing machines and wristwatches, 16.4, 8.9 and 22.4 percent respectively.

On the basis of arranging the local market well, the total value of industrial products exported to other provinces and localities amounted to 10.68 billion yuan, an increase of 5.8 percent over 1979.

By the end of 1980, the state-run commercial departments all over the municipality had 1.8 percent more goods in stock than in 1979.

The retail price index in the city proper in 1980 was higher than that of the previous year. The state retail price index rose by 2.6 percent (including negotiated prices and prices on the rural market with an average annual rise of 3.4 percent). Among them, the price of food rose 6.6 percent, clothing decreased by 0.1 percent, daily necessities increased by 0.2 percent, commodities for cultural and recreational activities went up by 0.4 percent, pharmaceuticals decreased by 1.6 percent and fuel remained the same.

There was a greater supply of market commodities in 1980, yet supply still could not meet the growth in purchasing power. Some consumer goods which sold like hot cakes could not satisfy the needs of the consumers.

#### 6. Foreign Trade, Tourism

There was considerable development in foreign trade in 1980. The total purchasing value of exported commodities of this municipality (in term of real prices) totalled 8,318 billion yuan, an increase of 25.7 percent over 1979, and the total value of reexported commodities from other provinces through Shanghai reached 4,469 billion yuan, a 3.1 percent increase compared with the previous year.

The total value of exports from Shanghai port in 1980 came to 6.36 billion yuan, an 11.7 percent increase over 1979. Among these exported commodities, heavy industrial products increased by 42.6 percent, light and textile industrial products 7.3 percent, and farm produce and sideline products 4.1 percent.

In 1980 the total number of foreigners, tourists, traders, seamen, Overseas Chinese and compatriots from Hong Kong and Macao coming from 151 countries and regions received by Shanghai amounted to 312,000 people, a rise of 46 percent compared with the previous year. The foreign currency earned by this municipality, converted into renminbi, topped 129 million yuan, an increase of 59.4 percent over 1979.

#### 7. Science and Technology, Education, Culture

Science and technology and the economy of this municipality were further integrated in 1980. Good results were achieved in 624 comparatively major scientific and technological projects in developing new light and textile industrial products, promoting agricultural production, exploring new types of basic materials and saving energy. Among them, 73 items reached or approached international advanced standards, and many of them were applied in practice.

Achievements were made in social scientific research by actively exploring and studying many new subjects concerning economic readjustment and economic reform, democracy and the legal system, and philosophy and history.

At the end of 1980, there were 330,000 technological personnel in the various sciences and units under the system of ownership by the whole people. Among them, 247,700 were in the natural sciences and 83,100 in the social sciences.

The educational structure was readjusted and the quality of education was improved in 1980. The 12-year system for secondary schools began to be revived step by step. Reform of the structure of secondary education was being carried out on a trial basis, some branch (affiliated) universities and specialties were readjusted and universities with nonresident students looking after their own expenses were run on a trial basis. There were 50 institutions of higher learning all over the municipality with a student body of 73,400, an increase of 0.6 percent. Seventeen thousand two hundred students were enrolled and 11,800 graduated in 1980. The total number of postgraduates at various institutions of higher learning was 2,696 students, 333 more than in 1979. The institutions of higher education all over the municipality had 3,361 nonresident students responsible for their own expenses. Spare-time education developed comparatively well. There were 4,561 spare-time educational schools of various kinds and levels for workers and peasants all over the municipality, with an enrollment of 837,300 students, of which 89,100 were enrolled in television university and various spare-time colleges. There were 31,000 students in vocational schools at secondary education level all over the municipality, 58,700 students in workers' training schools, 627,100 students in regular middle schools, 854,700 pupils in primary schools and 263,000 children in kindergartens.

In 1980 the departments of culture, films, drama, broadcasting, television, papers and magazines and publishing made new achievements in propagating the party's line, and promoting the emancipation of people's minds. The film enterprises of this municipality produced 17 feature films and 116 films of various types.

The municipal literary and art troupes staged 437 plays. There were 770 film-projection units, 48 performing art troupes, 23 cultural centers, 23 public libraries, 1 broadcasting station and 2 television centers. The annual output of newspapers was 855 million copies, an increase of 16.8 percent over the previous year. A total of 122 million copies of magazines of various types were published, an increase of 67.7 percent, and 562 million copies of books, a rise of 22.7 percent compared with 1979.

#### 8. Health Work, Sports

Through the readjustment and rectification of the municipal health departments, the total number of hospital beds in 1980 reached 49,000 or 3.3 percent more than the previous year. There were 94,100 professional medical workers, representing a 6 percent increase over 1979. They included 6,400 doctors of traditional Chinese medicine, 17,600 senior doctors and 15,300 junior doctors of Western medicine, and 22,400 nurses. Six hundred and eighty-one sports meets were held at the county level or above throughout the municipality in 1980. The outstanding sportmen of Shanghai broke 36 national records in track and field events, weight-lifting, swimming, parachuting, and model airplane and model boat competition, and broke 129 municipal records.

With the intensive development of vigorous mass sports activities, 254,700 people reached the standards set in the national physical training program, 8.7 percent more than in the previous year.

#### 9. People's Livelihood

Continued improvements were made in the livelihood of the urban and rural population in 1980 on the basis of developed construction. Two hundred and thirty thousand people were provided with jobs in 1980 (of whom 224,000 were assigned jobs in units under the system of ownership by the whole people and units under the system of collective ownership). They included young people waiting for jobs and other people in cities and towns, and 1980 university, college and secondary technical school graduates who were assigned work under the state unified plan. The number of staff and workers employed in units under the system of ownership by the whole people and in collectively run units in cities and towns totalled 4,469 million at the end of 1980, 149,000 more than a year before. They included 3.519 million in units under the system of ownership by the whole people, an increase of 109,000 over the 1979 figure; 950,000 in collectively owned units in cities and towns, an increase of 40,000 over the number in 1979.

Owing to the increase in the number of staff and workers, pay raises for nearly 2 million staff and workers and the raised levels of bonuses, the total 1980 wage bill for the workers and staff members reached 3.8 billion yuan, exceeding the figure for 1979 by 16.4 percent. Monthly wages for the staff and workers all over the municipality averaged 72.2 yuan (excluding the 1979 wages paid retroactively and the wages paid retroactively in implementing the policies concerned), an increase of 13.2 percent over 1979, or a real increase of 6 percent after deducting the 5.9 percent rise in the cost of living index. The average monthly wages of the staff and workers employed in the units under the system of ownership by the whole people was 76 yuan, representing a 12.3 percent increase over 1979, or a real gain of 6 percent after deducting the effect of inflation. As regards the distribution of the commune members, although affected by the reduction in agricultural production, the income levels of the commune members were still high thanks to the development of the production of commune and brigade-run industry and sideline occupation and the supplements from their household sideline production. The total 1980 income of the rural people's communes, the production brigades and production teams amounted to 4,764 billion yuan, a rise of 15.2 percent compared with 1979, and the average per capita income from collective production was 278 yuan, remaining the same level as the previous year.

According to an investigation into the family livelihood of 500 households in the city proper and 261 households in the outskirts, the total general accounts of the families, staff and workers as well as commune members showed a favorable balance of little surplus. The livelihood of most people in towns and the countryside improved in varying degrees. They had more and more high-grade durable consumer goods. At the end of 1980, on average, every 100 households of staff and workers had 99 radio sets, 65 bicycles, 59 television sets, 252 wristwatches and 44 desk-mounted electric fans. On average, every 100 commune member households had 41 radio sets, 69 bicycles, 2 television sets and 130 wristwatches.

At the end of 1980, the savings deposits of the urban and rural population throughout the municipality reached 3.02 million yuan, registering a 21.4 percent increase over the previous year.

Some improvements were made in the living facilities in the city proper. With the completion of some new houses, the problems of housing for 40,000 households who had difficulties in housing or were going to get married were solved and 50,000 households were supplied with gas. However longstanding problems in the people's life were many: The housing supply was strained, the transport was overcrowded and the "three wastes" were menacing. Price hikes affected the practical living standards of some families whose members received no bonuses or in which only a few members had jobs.

#### 10. Population

At the end of 1980, Shanghai had a population of 11.4629 million, an increase of 141,500 or a rise of 1.2 percent over 1979. They included 6.0129 million in the city proper, constituting 52.5 percent of the total population of the municipality, a 1.7 percent increase over the previous year.

In 1980 the birth rate of the population of the whole municipality was 11.79 percent, the death rate, 6.48 percent, and the natural growth rate 5.31 percent. They included the birth rate of the urban population, 8.92 percent; the death rate, 6.84 percent; the natural growth rate, 2.08 percent; the growth rate of the rural population, 14.94 percent; the death rate, 6.09 percent and the natural growth rate, 8.85 percent.

Good results were achieved in birth control in 1980. The rate of receiving certificates for a family having one son or daughter was 74.6 percent. The natural growth rate of the population of the whole municipality decreased compared the previous year.

#### ZHEJIANG ISSUES FIGURES ON GRAIN PRODUCTION

OWO42346 Hangzhou Zhejiang Provincial Service in Mandarin 1040 GMT 4 Jul 81

[Excerpts] According to information recently released by a provincial department concerned, Zhejiang Province's grain production has grown greatly in the 32 years since the founding of the People's Republic of China. In 1980 the province produced 28.6 billion jin of grain in spite of serious natural disasters. The 1980 output increased by 230 percent compared to output before liberation and accounted for 750 jin per capita. The 1980 per capita output increased by 337 jin, or 81.6 percent, compared to 1949, while population in the province increased by 83.7 percent in the same period.

By 1980 the province had built more than 15 million mu of the farmland that guarantees harvests irrespective of drought and flood, accounting for 60 percent of the total provincial cropland. Approximately 10 million of the 15 million mu are stable high-yield fields.

In the 3 years from 1977 to 1979, Zhejiang Province increased grain output by 8 billion jin. The increase alone was equal to the province's 1949 total grain output.

By 26 June, the province overfulfilled state spring grain purchase quota by 30 percent and this year's purchase was 15.7 percent above spring grain purchases during the corresponding period of 1980.

GUANGZHOU SENTENCES RAPISTS, ROBBERS, SPIES

HK020056 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 27 Jun 81

[AText] The Guangzhou Municipal Intermediate People's Court held a rally this morning to pass verdicts according to the law on 4 cases involving a total of 14 rapists, robbers and spies. (Gua Lianhong), archcriminal of a clique of rapists and robbers, was sentenced to death and he was immediately executed.

The clique of rapists and robbers headed by criminal (Gua Lianhong) was a criminal clique which committed all kinds of evil. The criminal (Gua) was in fact sent three times to receive reeducation through labor for fighting and robbery. However, he refused to submit to this reeducation and twice fled to Guangzhou. From June 1978 to January 1980, he organized (Guo Yongzhi) and (Liu Tangwei), who had been discharged from reeducation through labor, and young worker (Chen Shuping) into a clique and they gang-raped six young girls and also robbed people on the streets and looted households while armed on six occasions, injuring one person. When these incidents were exposed, he resisted arrest with a pistol. The case was very abominable and his crimes were very serious, arousing the greatest popular indignation. He was sentenced to death by the Guangzhou Municipal Intermediate People's Court. The criminal (Gua) refused to accept the verdict and made an appeal. The Guangdong Higher People's Court reviewed the case and upheld the original verdict. It also reported the case to the Supreme People's Court for ratification. After the conclusion of the rally this morning, the criminal (Gua) was escorted to the execution ground after his identity was verified and immediately shot.

(Guo Yongzhi), (Chen Shuping) and (Liu Tangwei) were also respectively sentenced to death but with the death sentence suspended for a period of time and to termed imprisonment.

(He Guiwei), (Zhu Weiwen), (Guo Weixie) and (Yuan Weixiang), criminals of a clique of robbers and thieves, had in fact been sent to receive reeducation through labor for theft and robbery. However, they did not repent and reform themselves. After they were discharged from reeducation through labor, they again banded together. Last year from 3 to 16 December, they held people up in Guangzhou's busy streets on seven occasions and stole people's property on nine occasions, injuring two people. They seriously jeopardized the safety of people's lives and property. The court sentenced according to the law the arch-criminal (He Guiwei) to life imprisonment; (Zhou Weiwen) to 14 years' termed imprisonment; (Guo Weixie) to 15 years' termed imprisonment; and (Yuan Weixiang) to 12 years' termed imprisonment.

Robbers (Ye Zongyao), (Liang Jinghui), (Chen Xiaohao) and (Lin Yongkun) and spies (Zhou Shiqiao) and (Zhou Shiyang) were also respectively sentenced to 3 to 13 years' termed imprisonment today.

GUANGDONG ISSUES URGENT NOTICE ON FIGHTING FLOODS

HK030247 Guangzhou Guangdong Provincial Service in Mandarin 2330 GMT 2 Jul 81

[Text] The provincial people's government issued a circular on 2 July demanding that the province urgently mobilize and organize forces to carry out crash-rescue work, drain flooded land, fight natural disasters, and strive for a bumper early rice harvest.

The circular said: Due to a cold wave and trough of low pressure, all parts of Guangdong except Hainan and the Leizhou peninsula had heavy to torrential rain from 29 June to 1 July. Violent torrential rain fell in 12 counties. This torrential rain was concentrated in the southwest part of Foshan Prefecture and the eastern part of Zhenjiang Prefecture and in the Dongguan and Zengcheng area. Due to the heavy rains, rivers and streams have risen and many fields and villages have been flooded, while fish ponds have overflowed. Houses have collapsed and disruptions of communications and telephone lines have occurred in places. Relatively serious damage has been done to embankments and hydroelectricity projects.

The provincial command for fighting drought, flood and typhoons held an urgent meeting on 1 Jul to study and arrange the work of fighting natural disasters and conducting rescue operations. In view of the disaster caused by the torrential rains plus the arrival of No 5 typhoon in the province around 3 July, the provincial people's government has demanded that the province urgently mobilize and rapidly organize all forces to plunge into the struggle to carry out crash-rescue work and fight the disaster, reduce losses caused by the disaster to the minimum, and strive for a bumper early rice harvest.

GUANGXI REPORTS MEETING OF CHIEF PROCURATORS

HK030140 Nanning Guangxi Regional Service in Mandarin 1100 GMT 2 Jul 81

[Text] The People's Procuratorate of the autonomous region held a meeting of the chief procurators of its various municipal and county branches in Nanning from 23 to 28 June, relaying and studying the relevant documents of the CCP Central Committee and discussing how to further promote social order and peace in our region. The meeting held that every procuratorial cadre should fully realize the importance and urgency of maintaining proper order and peace in safeguarding stability and unity and economic readjustment, and must raise vigilance against the disruptive activities of a small number of class enemies. The procuratorial organs in various areas must take maintaining social order and peace as their own primary task and closely act in coordination with fraternal departments. They must continue to resolutely punish an extremely small number of murderers, arsonists, robbers, rapists, elements guilty of setting off bombs and other criminals seriously harming society who reveal their true colors--doing so according to the law in a strict and quick manner. The meeting seriously studied measures to strike at criminal activities accurately and effectively, in order to do a better job of maintaining social order and peace.

JIEFANGJUN BAO CITES POLITICAL WORK IN FAKASHAN

OW060606 Beijing Domestic Service in Mandarin 2230 GMT 5 Jul 81

[Report on JIEFANGJUN BAO 6 July newsletter: "Political Work Displays Tremendous Might in Fakashan"]

[Text] From May's first 10 days to early July, commanders and fighters in a certain unit of Guangxi's frontier troops firmly defended Fakashan for over 50 days and nights repelling repeated attacks launched by aggressive Vietnamese troops. This unit has armed all commanders and fighters in fighting with patriotism, revolutionary heroism and the spirit of fearing neither hardship nor death.

In fighting, some commanders and fighters, running out of all the handgrenades they carried, continued to engage in life and death struggle with their enemies by throwing ammunition boxes and rocks at them. In battle, this unit stressed the exemplary role of party members and cadres who are always among the first to charge at the enemy and bear the brunt of hardship and the last to cover a retreat and enjoy comfort. To date, about 90 percent of the cadres and party members have been commended for the meritorious combat services they performed.

FEARS OF SICHUAN ENTERPRISES INVESTIGATED

OWO60452 Beijing XINHUA Domestic Service in Chinese 0157 GMT 5 Jul 81

[Investigation report by XINHUA reporter Fan Shi: "Individually Run Industrial-Commercial Enterprises in Chengdu Municipality Hire Assistants and Train Apprentices"]

[Excerpts] Chengdu, 5 Jul (XINHUA)--Recently this reporter conducted an investigation among departments concerned and individually run enterprises in Chengdu concerning how to reasonably solve the issue of individually run enterprises hiring assistants and training apprentices. They pointed out that the state's permission for individually run industrial and commercial enterprises to hire assistants and train apprentices has enabled the individual economy to develop appropriately, thereby solving problems of labor and employment, enlivening the market and providing more daily necessities for the people. However, the state must also protect individually run enterprises legally by adopting policies encouraging the individual economy and by regarding the individually run enterprises politically equal to state or collectively owned enterprises, otherwise many individuals will not dare take the initiative of starting an enterprise.

There are now 4,690 individually run industrial and commercial enterprises in Chengdu Municipality. The ways they train apprentices and hire assistants can be summarized as follows:

1. Apprentices are hired and trained by enterprises run by an individual.
2. Assistants are hired by enterprises jointly run by more than one individual.
3. Relatives are invited to help run the enterprises and paid on a daily basis.

The individually run industrial and commercial enterprises are hesitant about implementing the policy that allows them to hire a couple of assistants and to train apprentices.

First of all, they are afraid that the policy may change and that they may be labelled "capitalist" again.

Second, they are afraid to train apprentices for fear that they may be accused of "exploiting people."

Third, they are afraid of being looked down upon by other people socially.

Fourth, they are afraid of being asked to report on their income and to pay taxes afterward.

Fifth, there is no security guarantees for birth, age, illness or death.

Departments concerned in Sichuan Province are, on the basis of this reality, actively looking for individually run industrial and commercial enterprises that are willing to hire assistants and train apprentices and are gradually formulating relevant policies and measures in the course of practice so as to include individually run industrial and commercial enterprises as a supplement to the socialist economic system.

BRIEFS

YUNNAN RAPESEED PROCUREMENT--By 9 June, Yunnan Province had procured some 73 million jin of rapeseed, exceeding this year's procurement quota by 6.5 percent. The province has reaped a bumper rapeseed harvest for 3 consecutive years. According to preliminary statistics, the province's output of rapeseed for this year could reach some 88 million jin, about 25 million jin more than last year. [Kunming Yunnan Provincial Service in Mandarin 1100 GMT 11 Jun 81 HK]

HEILONGJIANG HOLDS EXPORT COMMODITIES FAIR

OW031250 Beijing XINHUA in English 1203 GMT 3 Jul 81

[Text] Harbin, 3 Jul (XINHUA)--Harbin export commodities fair, the first ever held in the city, opened this week in Heilongjiang Province, China's grain producing and industrial center. The fair, which will last until July 15, has attracted many overseas businessmen.

A spokesman said the commodities on show range from farm and animal products to mechanical equipment, textiles, chemicals and light industrial products.

Locally-produced goods include rubber shoes, agate carvings and Chinese medicine.

LIAONING'S 3-YEAR LIGHT INDUSTRIAL PRODUCTION PLAN

SK021307 Shenyang Liaoning Provincial Service in Mandarin 1100 GMT 2 Jul 81

[Text] Our reporter recently learned from the second provincial light industrial production bureau that light industrial production will advance greatly in the next 3 years. According to our province's plans for the coming 3 years, the province's light industrial output value will increase 21.6 percent by 1983. Sixty major brand-name and quality products will be produced. Output of bicycles, sewing machines, clocks and watches, televisions, radios, recorders, washing machines, electric fans, cameras and kilowatt-hour meters, all of which are closely related to the people's daily life, will double. Output of bicycles will increase from 1.4 million in 1981 to 2.15 million in 1983. By then, every four families will have a bicycle produced by our province. Production of our Peacock-brand watches, White Pigeon-brand alarm clocks and [words indistinct] will also substantially increase. Our annual wristwatch production capacity will increase from 1.09 million to 3.35 million by 1983, 10 percent of the planned wristwatch output of the country. Production of beer, leatherware, wood furniture and woolen fabrics, which are in short supply in local markets, will also be expanded to meet consumer demands. Beer output in 1983 will increase to 220,000 tons as opposed to 100,000 tons today. Output of woolen fabrics will increase from 44,000 spindles to 58,000 spindles in 1983, and the volume of woolen fabrics sold will more than double.

Toy production has not been noteworthy in our light industrial production. It is planned that about a dozen plants in Shenyang, Luda, Benxi and Dandong Municipalities will be organized to produce new plastic, metal, wood, cloth and electronic toys by using waste materials.

The 60 major products should not only be increased in quantity; they should also be improved in quality so that two-thirds of them will reach the standards specified by our province or the ministries concerned in 3 years. We should pay special attention to improving the quality of consumer goods which are produced in great number and which greatly affect the people's daily life, such as bicycles, sewing machines, wristwatches, televisions, washing machines, white wine, beer, pressure cookers, leatherware, textiles and silk fabrics. The quality of these goods should reach the standards specified by our province or the ministries concerned in 3 years. While improving product quality, we should exert great efforts to increase product variety.

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